

SENATE BILL NO. 222

Introduced: 01/19/83

Referred to Committee on Local Government: 01/19/83

Hearing: 1/27/83

Report: 02/03/83, Do Not Pass. Report Adopted.

Bill Killed.

1 *Senate* BILL NO. *222*
2 INTRODUCED BY *Norman Haul*
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING FROM 50
5 PERCENT TO 100 PERCENT THE AMOUNT OF SECURITY THAT MAY BE
6 REQUIRED BY LOCAL GOVERNING BODIES FOR DEPOSIT OF PUBLIC
7 FUNDS; AMENDING SECTION 7-6-207, MCA."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 7-6-207, MCA, is amended to read:

11 "7-6-207. Deposit security. (1) The local governing
12 body may require security only for that portion of the
13 deposits which is not guaranteed or insured according to law
14 and, as to such unguaranteed or uninsured portion, ~~only--to~~
15 ~~the extent of 50% may require security having a market value~~
16 ~~equal to at least 50% but not more than 100%~~ of such
17 deposits. The security shall consist of those enumerated in
18 17-8-103 or cashier's checks issued to the depository
19 institution by any federal reserve bank.

20 (2) When negotiable securities are furnished, such
21 securities may be placed in trust. The trustee's receipt may
22 be accepted in lieu of the actual securities when such
23 receipt is in favor of the treasurer or town clerk, his
24 successors, and the state of Montana and the form of receipt
25 and the trustee have been approved by the department of

1 administration. All warrants or other negotiable securities
2 must be properly assigned or endorsed in blank. It is the
3 duty of the appropriate governing body, upon the acceptance
4 and approval of any of the above-mentioned bonds or
5 securities, to make a complete minute entry of the
6 acceptance and approval upon the record of their
7 proceedings, and the bonds and securities shall be
8 reapproved at least quarter-annually thereafter."

9 NEW SECTION. Section 2. Saving Clause. This act does
10 not affect rights and duties that matured, penalties that
11 were incurred, or proceedings that were begun before October
12 1, 1983.

-End-

INTRODUCED BILL

-2-

SB 222