

HOUSE BILL NO. 135

1/10 Introduced
1/10 Referred to Local Government
1/31 Hearing
2/01 Adverse Committee Report
2/04 Bill Killed

1 HOUSE BILL NO. 135
 2 INTRODUCED BY Manuel Schyza
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 4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING LOCAL
 5 GOVERNMENTS TO REQUIRE 100 PERCENT DEPOSIT SECURITY FOR THE
 6 UNINSURED OR UNGUARANTEED PORTION OF LOCAL GOVERNMENT FUNDS
 7 DEPOSITED IN FINANCIAL INSTITUTIONS; AMENDING SECTION
 8 7-6-207, MCA."

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 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 11 Section 1. Section 7-6-207, MCA, is amended to read:
 12 "7-6-207. Deposit security. (1) The local governing
 13 body may require security only for that portion of the
 14 deposits which is not guaranteed or insured according to law
 15 and, as to such unguaranteed or uninsured portion, ~~only~~ to
 16 the extent of ~~50%~~ 100% of such deposits. The security shall
 17 consist of those enumerated in 17-6-103 or cashier's checks
 18 issued to the depository institution by any federal reserve
 19 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 and his
 24 successors. All warrants or other negotiable securities
 25 must be properly assigned or endorsed in blank. It is the

1 duty of the appropriate governing body, upon the acceptance
 2 and approval of any of the above-mentioned bonds or
 3 securities, to make a complete minute entry of the
 4 acceptance and approval upon the record of their
 5 proceedings, and the bonds and securities shall be
 6 reapproved at least quarter-annually thereafter."

-End-



-2- INTRODUCED BILL
 HB 135