

HOUSE BILL NO. 248

1/18 Introduced
1/18 Referred to Local Government
1/31 Hearing
2/01 Committee Report-Bill Do Pass
2/02 2nd Reading Pass
2/04 3rd Reading Pass

Transmitted to Senate

2/07 Referred to Local Government
3/09 Hearing
3/12 Tabled in Committee

1 HOUSE BILL NO. 248
2 INTRODUCED BY LeRoy Miller
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE 100 PERCENT
5 DEPOSIT SECURITY FOR LOCAL GOVERNMENT DEPOSITS IN
6 INSTITUTIONS HAVING A NET WORTH TO TOTAL ASSETS RATIO OF
7 LESS THAN 6 PERCENT; 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:

16 (a) 50% of such deposits if the institution in which
17 the deposit is made has a net worth to total assets ratio of
18 at least 6%; or

19 (b) 100% if the institution in which the deposit is
20 made has a net worth to total assets ratio of less than 6%.

21 (2) The security shall consist of those enumerated in
22 17-6-103 or cashier's checks issued to the depository
23 institution by any federal reserve bank.

24 (3) When negotiable securities are furnished, such
25 securities may be placed in trust. The trustee's receipt may

1 be accepted in lieu of the actual securities when such
2 receipt is in favor of the treasurer or town clerk and his
3 successors. All warrants or other negotiable securities
4 must be properly assigned or endorsed in blank. It is the
5 duty of the appropriate governing body, upon the acceptance
6 and approval of any of the above-mentioned bonds or
7 securities, to make a complete minute entry of the
8 acceptance and approval upon the record of their
9 proceedings, and the bonds and securities shall be
10 reapproved at least quarter-annually thereafter."

-End-

INTRODUCED BILL
HB 248



APPROVED BY COMM.
ON LOCAL GOVERNMENT

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SECOND READING
HB 248

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-End-



-2-
 THIRD READING
 HB 248