## 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

LC 0964/01

HOUSE BILL NO. 248 1 INTRODUCED BY \_ l. L. a Mill 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE 100 PERCENT 4 DEPOSIT SECURITY FOR LOCAL GOVERNMENT 5 DEPOSITS IN INSTITUTIONS HAVING A NET WORTH TO TOTAL ASSETS RATIO OF 6 LESS THAN 6 PEPCENT; AMENDING SECTION 7-6-207, MCA." 7 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 body may require security only for that portion of the 12 deposits which is not guaranteed or insured according to law 13 14 and, as to such unguaranteed or uninsured portion, only to 15 the extent of: (a) 50% of such deposits if the institution in which 16 17 the deposit is made has a net worth to total assets ratio of 18 at least 6%; or (b) 100% if the institution in which the deposit is 19 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 t2t(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 receipt is in favor of the treasurer or town clerk and his 2 3 successors. All warrants or other negotiable securities must be properly assigned or endorsed in blank. It is the 4 5 duty of the appropriate governing body, upon the acceptance 6 and approval of any of the above-mentioned bonds or 7 securities. make a complete minute entry of the to 8 acceptance and approval upon the record of their 9 proceedings, and the bonds and securities shall be 10 reapproved at least guarter-annually thereafter."

-End-

-2-

INTRODUCED BILL HB248 49th Legislature

LC 0964/01

APPROVED BY COMM. ON LOCAL GOVERNMENT

HOUSE BILL NO. 248 INTRODUCED BY Ling Milly 1 2 3

A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE 100 PERCENT
DEPOSIT SECURITY FOR LOCAL GOVERNMENT DEPOSITS IN
INSTITUTIONS HAVING A NET WORTH TO TOTAL ASSETS RATIO OF
LESS THAN 6 PERCENT; AMENDING SECTION 7-6-207, MCA."

8

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

Section 1. Section 7-6-207, MCA, is amended to read: "7-6-207. Deposit security. (1) The local governing body may require security only for that portion of the deposits which is not guaranteed or insured according to law and, as to such unguaranteed or uninsured portion, only to the extent of:

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

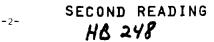
24 (2)(3) When negotiable securities are furnished, such
 25 securities may be placed in trust. The trustee's receipt may



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

-End-





LC 0964/01

HOUSE BILL NO. 248 1 INTRODUCED BY Schop Mille 2 з A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE 100 PERCENT 4 LOCAL GOVERNMENT DEPOSITS IN 5 DEPOSIT SECURITY FOR INSTITUTIONS HAVING A NET WORTH TO TOTAL ASSETS RATIO OF 6 LESS THAN 6 PERCENT; AMENDING SECTION 7-6-207, MCA." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section 1. Section 7-6-207, MCA, is amended to read: 10 "7-6-207. Deposit security. (1) The local governing 11 body may require security only for that portion of the 12 deposits which is not quaranteed or insured according to law 13 and, as to such unguaranteed or uninsured portion, only to 14 the extent of: 15 (a) 50% of such deposits if the institution in which 16 the deposit is made has a net worth to total assets ratio of 17 18 at least 6%; or (b) 100% if the institution in which the deposit is 19 made has a net worth to total assets ratio of less than 6%. 20 (2) The security shall consist of those enumerated in 21 17-6-103 or cashier's checks issued to the depository 22 23 institution by any federal reserve bank. 24 +2+(3) When negotiable securities are furnished, such securities may be placed in trust. The trustee's receipt may 25

Montana Legislative Council

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

-End-

-2-

THIRD READING HB 248