

HOUSE BILL NO. 203

INTRODUCED BY SPAETH, REHBERG, MCLANE

IN THE HOUSE

JANUARY 14, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 20, 1987	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 21, 1987	PRINTING REPORT.
JANUARY 22, 1987	SECOND READING, DO PASS AS AMENDED.
JANUARY 23, 1987	ENGROSSING REPORT.
JANUARY 24, 1987	THIRD READING, PASSED.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 26, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
FEBRUARY 12, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 16, 1987	SECOND READING, CONCURRED IN.
FEBRUARY 18, 1987	THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 19, 1987	RECEIVED FROM SENATE.
	SENT TO ENROLLING.

1 HB BILL NO. 203
2 INTRODUCED BY Spencer R. Kelly
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THE STATE
5 AUDITOR WITH THE DISCRETION TO WAIVE THE BOND OF INDEMNITY
6 REQUIREMENT FOR ISSUANCE OF A DUPLICATE WARRANT WHEN THE
7 ORIGINAL WARRANT HAS BEEN LOST OR DESTROYED; PROVIDING
8 LIABILITY PROTECTION UPON WAIVER; AND AMENDING SECTION
9 17-8-306, MCA."
10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12 Section 1. Section 17-8-306, MCA, is amended to read:
13 "17-8-306. Issuance of duplicate warrant. (1) The
14 state auditor may issue a duplicate warrant whenever any
15 warrant drawn by him upon the treasurer of the state is lost
16 or destroyed. This duplicate warrant must be in the same
17 form as the original, except that it must have plainly
18 printed across its face the word "duplicate", and except as
19 herein provided, no such warrant may be issued or delivered
20 unless the person entitled to receive the same deposits with
21 the state auditor a bond in double the amount for which the
22 duplicate warrant is issued, conditioned to save Montana and
23 its officers harmless on account of the issuance of the
24 duplicate warrant.
25 (2) No bond of indemnity is required when:

1 (a) the payee is the United States government, a state
2 of the United States, any agency, instrumentality, or
3 officer of the United States government or of a state,
4 county, city, city and county, town, district, or other
5 political subdivision of a state or any officer thereof;
6 (b) the owner or custodian is the state of Montana or
7 any agency or officer thereof;
8 (c) the owner or custodian is a bank, savings and loan
9 association, admitted insurer, or trust company whose
10 financial condition is regulated by the United States
11 government or by the state of Montana;
12 (d) the state auditor has chosen to waive the
13 requirement upon receipt of evidence that the original
14 warrant has been accidentally lost or destroyed;
15 ~~(d)~~(e) the amount of the lost or destroyed warrant is
16 less than \$100;
17 ~~(e)~~(f) it can be established that a crime has been
18 committed and as a result of such crime that a Montana
19 warrant has been stolen or destroyed;
20 ~~(f)~~(g) it can be established that a Montana warrant
21 has been mailed to an incorrect payee;
22 ~~(g)~~(h) the payee is a vendor or contractor doing
23 business with the state of Montana; or
24 ~~(h)~~(i) the payee is a recipient of public assistance
25 under Title 53.

1 (3) Whenever the owner or custodian applies under the
2 provisions of subsection ~~(2)(e)~~ (2)(f), (2)(g), or (2)(h),
3 or (2)(i), a stop-payment order shall be placed on the
4 original warrant by the state auditor.

5 (4) Whenever the owner or custodian applies under the
6 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f),
7 (2)(g), or (2)(h), or (2)(i), the application shall include
8 an agreement to indemnify and hold harmless the state or its
9 officers and employees from any loss resulting from the
10 issuance of a duplicate warrant. Any loss incurred in
11 connection with the issuance of a duplicate warrant shall be
12 charged against the account from which the payment was
13 derived."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB203, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

HB203 is an act to provide the State Auditor with the discretion to waive the bond requirement for issuance of a duplicate warrant when the original warrant has been lost or destroyed; and amending section 17-8-306, MCA.

ASSUMPTIONS:

1. This bill may cause a large increase in the number of requests to waive the indemnity bond, it should not increase expenditures.

FISCAL IMPACT:

Expenditures:

N/A

Revenues:

N/A

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:


N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

 DATE 1/19/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

 DATE 19 Jan 1986
GARY SPAETH, PRIMARY SPONSOR

Fiscal Note for HB203, as introduced.

HB-203

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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(2) No bond of indemnity is required when:

(a) the payee is the United States government, a state of the United States, any agency, instrumentality, or officer of the United States government or of a state, county, city, city and county, town, district, or other political subdivision of a state or any officer thereof;

(b) the owner or custodian is the state of Montana or any agency or officer thereof;

(c) the owner or custodian is a bank, savings and loan association, admitted insurer, or trust company whose financial condition is regulated by the United States government or by the state of Montana;

(d) the state auditor has chosen to waive the requirement upon receipt of evidence that the original warrant has been accidentally lost or destroyed;

(e) the amount of the lost or destroyed warrant is less than \$100;

(f) it can be established that a crime has been committed and as a result of such crime that a Montana warrant has been stolen or destroyed;

(g) it can be established that a Montana warrant has been mailed to an incorrect payee;

(h) the payee is a vendor or contractor doing business with the state of Montana; or

(i) the payee is a recipient of public assistance under Title 53.

1 (3) Whenever the owner or custodian applies under the
2 provisions of subsection ~~(2)(e)~~, (2)(D), (2)(f), (2)(g), or
3 (2)(h), or (2)(i), a stop-payment order shall be placed on
4 the original warrant by the state auditor.

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6 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f),
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(d) the state auditor has chosen to waive the requirement upon receipt of evidence that the original warrant has been accidentally lost or destroyed AS A RESULT OF A DISASTER OR OTHER MAJOR OCCURRENCE;

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