HOUSE BILL NO. 563

INTRODUCED BY SCHYE

IN THE HOUSE

- JANUARY 31, 1987 INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
- FEBRUARY 4, 1987 COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
- FEBRUARY 5, 1987 PRINTING REPORT.
- FEBRUARY 6, 1987 SECOND READING, DO PASS.
- FEBRUARY 7, 1987 ENGROSSING REPORT.

THIRD READING, PASSED. AYES, 98; NOES, 0.

TRANSMITTED TO SENATE.

ON LOCAL GOVERNMENT.

INTRODUCED AND REFERRED TO COMMITTEE

IN THE SENATE

FEBRUARY 10, 1987

- MARCH 6, 1987 COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
- MARCH 10, 1987 SECOND READING, CONCURRED IN.
- MARCH 12, 1987 THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

MARCH 13, 1987

SENT TO ENROLLING.

RECEIVED FROM SENATE.

House BILL NO. 563 INTRODUCED BY Selfy 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PROCEDURE 4 FOR THE ISSUANCE OF DUPLICATE WARRANTS AND CHECKS BY A 5 MUNICIPALITY TO REPLACE LOST OR DESTROYED WARRANTS AND 6 CHECKS; PROVIDING CONDITIONS FOR THE ISSUANCE OF DUPLICATE 7 WARRANTS AND CHECKS." 8

9

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

11 Section 1. Issuance of duplicate warrants and checks. 12 (1) A duplicate warrant or check may be issued by the 13 appropriate municipal officer whenever an instrument drawn by him upon the municipality is lost or destroyed. The 14 15 duplicate warrant or check must be in the same form as the 16 original except that it must have plainly printed across its 17 face the word "duplicate". Except as provided in subsection 18 (2), no duplicate warrant or check may be issued or delivered unless the person entitled to receive it deposits 19 20 with the issuing municipal officer a bond in double the 21 amount for which the duplicate warrant or check is issued, conditioned to hold the city and its officers harmless on 22 23 account of the issuance of the duplicate warrant or check. 24 (2) No bond of indemnity is required when: 25

(a) the payee is the U.S. government, a state of the



1 United States, an agency, instrumentality, or officer of the U.S. government or of a state, county, city, city and 2 county, town, district, or other political subdivision of a 3 state, or an officer thereof: (b) the owner or custodian is the state of Montana or 5 6 an agency or officer thereof; 7 (c) the owner or custodian is a bank, savings and loan association, admitted insurer, or trust company whose я 9 financial condition is regulated by the U.S. government or by the state of Montana; 10 11 (d) the amount of the lost or destroyed warrant or 12 check is less than \$100; 13 (e) it can be established that a crime has been committed and as a result of such crime the warrant or check 14 15 was stolen or destroyed;

16 (f) it can be established that the warrant or check 17 was mailed to an incorrect payee; or

18 (g) the payee is a vendor or contractor doing business 19 with the municipality.

(3) Whenever the owner or custodian applies under the 20 provisions of subsection (2)(e), (2)(f), or (2)(g), a 21 22 stop-payment order must be placed on the original warrant or 23 check by the municipality.

24 (4) Whenever the owner or custodian applies under the 25 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f), or

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(2)(g), the application must include an agreement to
 indemnify and hold harmless the municipality or its officers
 and employees from any loss resulting from the issuance of a
 duplicate warrant or check. Any loss incurred in connection
 with the issuance of a duplicate warrant or check must be
 charged against the account from which the payment was
 derived.

LC 1377/01

APPROVED BY COMM. ON LOCAL GOVERNMENT

1 House BILL NO. 563 2 INTRODUCED BY Selfge

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PROCEDURE
5 FOR THE ISSUANCE OF DUPLICATE WARRANTS AND CHECKS BY A
6 MUNICIPALITY TO REPLACE LOST OR DESTROYED WARRANTS AND
7 CHECKS; PROVIDING CONDITIONS FOR THE ISSUANCE OF DUPLICATE
8 WARRANTS AND CHECKS."

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25 (a) the payee is the U.S. government, a state of the



United States, an agency, instrumentality, or officer of the U.S. government or of a state, county, city, city and county, town, district, or other political subdivision of a state, or an officer thereof;

5 (b) the owner or custodian is the state of Montana or6 an agency or officer thereof;

7 (c) the owner or custodian is a bank, savings and loan
8 association, admitted insurer, or trust company whose
9 financial condition is regulated by the U.S. government or
10 by the state of Montana;

11 (d) the amount of the lost or destroyed warrant or 12 check is less than \$100;

13 (e) it can be established that a crime has been
14 committed and as a result of such crime the warrant or check

15 was stolen or destroyed;

16 (f) it can be established that the warrant or check17 was mailed to an incorrect payee; or

18 (g) the payee is a vendor or contractor doing business19 with the municipality.

(3) Whenever the owner or custodian applies under the
provisions of subsection (2)(e), (2)(f), or (2)(g), a
stop-payment order must be placed on the original warrant or
check by the municipality.

24 (4) Whenever the owner or custodian applies under the
25 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f), or

-2- SECOND READING HB 563

(2)(g), the application must include an agreement to
 indemnify and hold harmless the municipality or its officers
 and employees from any loss resulting from the issuance of a
 duplicate warrant or check. Any loss incurred in connection
 with the issuance of a duplicate warrant or check must be
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House BILL NO. 563 1 2 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PROCEDURE

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5 FOR THE ISSUANCE OF DUPLICATE WARRANTS AND CHECKS BY A 6 MUNICIPALITY TO REPLACE LOST OR DESTROYED WARRANTS AND 7 CHECKS; PROVIDING CONDITIONS FOR THE ISSUANCE OF DUPLICATE 8 WARRANTS AND CHECKS."

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1 United States, an agency, instrumentality, or officer of the 2 U.S. government or of a state, county, city, city and county, town, district, or other political subdivision of a 3 4 state, or an officer thereof: 5 (b) the owner or custodian is the state of Montana or 6 an agency or officer thereof; (c) the owner or custodian is a bank, savings and loan 7 association, admitted insurer, or trust company whose 8 9 financial condition is regulated by the U.S. government or 10 by the state of Montana; (d) the amount of the lost or destroyed warrant or 11 12 check is less than \$100; 13 (e) it can be established that a crime has been 14 committed and as a result of such crime the warrant or check 15 was stolen or destroyed; (f) it can be established that the warrant or check 16 17 was mailed to an incorrect payee; or (g) the payee is a vendor or contractor doing business 18 19 with the municipality. 20 (3) Whenever the owner or custodian applies under the 21 provisions of subsection (2)(e), (2)(f), or (2)(g), a stop-payment order must be placed on the original warrant or 22 23 check by the municipality. 24 (4) Whenever the owner or custodian applies under the

25 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f), or

-2- THIRD READING HB-563

1 (2)(g), the application must include an agreement to 2 indemnify and hold harmless the municipality or its officers 3 and employees from any loss resulting from the issuance of a 4 duplicate warrant or check. Any loss incurred in connection 5 with the issuance of a duplicate warrant or check must be 6 charged against the account from which the payment was 7 derived.

HB 0563/02

1 HOUSE BILL NO. 563 INTRODUCED BY SCHYE 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PROCEDURE 4 5 FOR THE ISSUANCE OF DUPLICATE WARRANTS AND CHECKS BY A MUNICIPALITY TO REPLACE LOST OR DESTROYED WARRANTS AND 6 7 CHECKS: PROVIDING CONDITIONS FOR THE ISSUANCE OF DUPLICATE WARRANTS AND CHECKS." 8 9 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 Section 1. Issuance of duplicate warrants and checks. 12 (1) A duplicate warrant or check may be issued by the 13 appropriate municipal officer whenever an instrument drawn 14 by him upon the municipality is lost or destroyed. The duplicate warrant or check must be in the same form as the 15 16 original except that it must have plainly printed across its face the word "duplicate". Except as provided in subsection 17 (2), no duplicate warrant or check may be issued or 18 19 delivered unless the person entitled to receive it deposits 20 with the issuing municipal officer a bond in double the 21 amount for which the duplicate warrant or check is issued, conditioned to hold the city and its officers harmless on 22 23 account of the issuance of the duplicate warrant or check. 24 (2) No bond of indemnity is required when: 25 (a) the payee is the U.S. government, a state of the

United States, an agency, instrumentality, or officer of the
 U.S. government or of a state, county, city, city and
 county, town, district, or other political subdivision of a
 state, or an officer thereof;

5 (b) the owner or custodian is the state of Montana or
6 an agency or officer thereof;

7 (c) the owner or custodian is a bank, savings and loan
8 association, admitted insurer, or trust company whose
9 financial condition is regulated by the U.S. government or
10 by the state of Montana;

11 (d) the amount of the lost or destroyed warrant or 12 check is less than \$100;

(e) it can be established that a crime has been
committed and as a result of such crime the warrant or check
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16 (f) it can be established that the warrant or check 17 was mailed to an incorrect payee; or

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20 (3) Whenever the owner or custodian applies under the
21 provisions of subsection (2)(e), (2)(f), or (2)(g), a
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23 check by the municipality.

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25 provisions of subsection (2)(c), (2)(d), (2)(e), (2)(f), or

-2-

REFERENCE BILL

HB 563

HB 0563/02

HB 563

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