

1 House BILL NO. 563
2 INTRODUCED BY Schuy

3
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."
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
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
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,
22 conditioned to hold the city and its officers harmless on
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
2 U.S. government or of a state, county, city, city and
3 county, town, district, or other political subdivision of a
4 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;

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 check
17 was mailed to an incorrect payee; or

18 (g) the payee is a vendor or contractor doing business
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
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

LC 1377/01

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.

-End-

APPROVED BY COMM.
ON LOCAL GOVERNMENT

1 House BILL NO. 563
2 INTRODUCED BY Schye
3

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."
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
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
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,
22 conditioned to hold the city and its officers harmless on
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
2 U.S. government or of a state, county, city, city and
3 county, town, district, or other political subdivision of a
4 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;

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 check
17 was mailed to an incorrect payee; or

18 (g) the payee is a vendor or contractor doing business
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
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



LC 1377/01

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.

-End-

1 House BILL NO. 563
 2 INTRODUCED BY Schye
 3

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."
 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
 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
 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,
 22 conditioned to hold the city and its officers harmless on
 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
 2 U.S. government or of a state, county, city, city and
 3 county, town, district, or other political subdivision of a
 4 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;

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 check
 17 was mailed to an incorrect payee; or

18 (g) the payee is a vendor or contractor doing business
 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
 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

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.

-End-

HOUSE BILL NO. 563
INTRODUCED BY SCHYE

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

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

Section 1. Issuance of duplicate warrants and checks.

(1) A duplicate warrant or check may be issued by the appropriate municipal officer whenever an instrument drawn by him upon the municipality is lost or destroyed. The duplicate warrant or check must be in the same form as the original except that it must have plainly printed across its face the word "duplicate". Except as provided in subsection (2), no duplicate warrant or check may be issued or delivered unless the person entitled to receive it deposits with the issuing municipal officer a bond in double the amount for which the duplicate warrant or check is issued, conditioned to hold the city and its officers harmless on account of the issuance of the duplicate warrant or check.

(2) No bond of indemnity is required when:

(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;

(b) the owner or custodian is the state of Montana or an 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 U.S. government or by the state of Montana;

(d) the amount of the lost or destroyed warrant or 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 was stolen or destroyed;

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

(g) the payee is a vendor or contractor doing business 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.

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

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.

-End-