

HOUSE BILL NO. HB0024

Investment of public funds-fixed interest bearing deposits.

Sponsored by: Joint Minerals, Business & Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to public funds; authorizing investment of
2 public funds in fixed interest bearing deposits as
3 specified; conforming provisions; and providing for an
4 effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 9-4-802, 9-4-812, 9-4-817(d)(i),
9 9-4-824 and 9-4-831(a) by creating a new paragraph (xxviii)
10 are amended to read:

11

12 **9-4-802. Board of deposits; application; designation**
13 **of depositories; revocation of designation.**

14

1 A bank applying to be a state depository shall file a
2 written application with the secretary of the board of
3 deposits. The application shall be accompanied by a sworn
4 statement of the financial condition of the bank at the
5 time the application is made and a certified resolution
6 providing proper authority of the depository. The secretary
7 of the board of deposits shall review all applications,
8 prepare a recommendation regarding each, and submit a list
9 of all applicants and his recommendations to the board. The
10 secretary of the board shall prepare a list of all
11 financial institutions of the state which are approved by
12 the board to be depositories. The chairman and the
13 secretary of the board shall certify the list to the bank
14 collateral officer who is designated by the state
15 treasurer. Once the bank collateral officer is designated,
16 the state treasurer shall provide a written order to the
17 bank declaring it a state depository until its authority is
18 revoked by the board. Each year, designated state
19 depositories shall submit a current statement of condition,
20 a certified copy of a resolution indicating its authority
21 to act as a state depository has not been revoked and any
22 other information the secretary of the board deems
23 necessary. If, at any time state funds are on deposit with

1 a state depository, a state depository is subject to any
2 public enforcement action by any federal or state
3 regulatory entity, the state depository shall notify the
4 secretary of the board of the regulatory action if the
5 action is not confidential. The board may revoke a bank's
6 designation as a state depository at any time, except that,
7 absent a default by the state depository, no time deposit,
8 open account shall be withdrawn from a state depository
9 prior to the date of maturity without providing forty-five
10 (45) days prior written notice, ~~absent a default by the~~
11 ~~state depository~~ and funds invested in fixed interest
12 bearing deposits under W.S. 9-4-831(a)(xxviii) shall be
13 withdrawable according to the terms of the contract under
14 which the funds are invested.

15

16 **9-4-812. Withdrawals of state funds; liability of**
17 **treasurer for money or bond loss.**

18

19 The state treasurer or his authorized deputy may withdraw
20 any and all funds deposited for the purpose of paying the
21 appropriations and obligations of the state as lawfully
22 required or whenever he deems it advisable or to the
23 interests of the state to do so, except that funds

1 deposited as time deposit, open account shall require
2 notice in advance of withdrawal as specified in W.S.
3 9-4-809 and funds invested in fixed interest bearing
4 deposits under W.S. 9-4-831(a)(xxviii) shall be
5 withdrawable according to the terms of the contract under
6 which the funds are invested. The state treasurer and his
7 sureties are responsible for the faithful performance of
8 the duties of the treasurer under the law, and for a proper
9 accounting and turning over to his successor of all monies
10 paid to the treasurer as such but he shall not be held
11 personally liable for any monies that may be lost by reason
12 of the failure or insolvency of any bank selected as a
13 state depository nor for the deficiency or loss upon any
14 surety bond or securities deposited by any bank, if the
15 surety bond or securities were placed according to law,
16 unless the loss could have been avoided by the exercise of
17 reasonable care and diligence on the part of the treasurer
18 or his deputy, in which case the treasurer is liable to the
19 state for the loss.

20

21 **9-4-817. Deposits by political subdivisions; selected**
22 **institutions; security; withdrawals.**

23

1 (d) Any bank, savings and loan association or federal
2 savings bank, located in the state, may apply to keep the
3 monies upon the following conditions:

4
5 (i) All deposits are subject to payment when
6 demanded by the proper treasurer on his check, order or
7 demand, except that all funds deposited on time deposit,
8 open account shall be withdrawable, under W.S. 9-4-809 and
9 funds invested in fixed interest bearing deposits under
10 W.S. 9-4-831(a)(xxviii) shall be withdrawable according to
11 the terms of the contract under which the funds are
12 invested;

13
14 **9-4-824. Liability of local treasurers for money**
15 **loss; power to withdraw funds.**

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17 No county, city, town, school district, irrigation district
18 or drainage district treasurer is liable on his official
19 bond for money on deposit in any bank under and by
20 direction of the proper legal authority and in conformity
21 with law if the bank has given bond which has been approved
22 as herein provided, except in cases where any loss could
23 have been prevented by the exercise of reasonable care on

1 the part of the treasurer. The proper treasurer may
2 withdraw any or all funds by him deposited in depositories
3 whenever he deems it advisable or to the interests of the
4 public which he represents, or to pay out money as by law
5 required, except that funds invested in fixed interest
6 bearing deposits under W.S. 9-4-831(a)(xxviii) shall be
7 withdrawable according to the terms of the contract under
8 which the funds are invested.

9
10 **9-4-831. Investment of public funds.**

11
12 (a) The state treasurer, or treasurer of any
13 political subdivision, municipality or special district of
14 this state, and the various boards of trustees and boards
15 of directors of county hospitals, airports, fairs and other
16 duly constituted county boards and commissions, may invest
17 in:

18
19 (xxviii) Fixed interest bearing deposits of an
20 approved public depository in this state to the extent the
21 deposits are fully secured in the manner set forth in W.S.
22 9-4-807 and the investments are made under a written

1 contract between the public funds depositor and depository
2 that:

3
4 (A) Provides for a fixed term and fixed
5 rate of interest which is based on market rates for
6 comparable securities with similar terms;

7
8 (B) Provides that the contract's purpose is
9 to enable the making of loans by the depository for a like
10 term and amount for projects or endeavors within this
11 state;

12
13 (C) Specifies withdrawal and termination
14 requirements and conditions; and

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16 (D) Contains any other terms deemed
17 necessary by the public funds depositor and depository to
18 implement the contract.

19
20 **Section 2.** This act is effective July 1, 2018.

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(END)