

AN ACT

ENTITLED, An Act to revise certain provisions regulating the investment of unneeded state operating expenses in banks.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 4-5-6.1 be amended to read as follows:

4-5-6.1. In lieu of or in addition to other statutory authorization for the investment of public funds, any public funds that are not needed for current operating expenses may be invested in accordance with the following conditions:

- (1) The public funds shall initially be placed by the public funds depositor in a bank located in this state which offers Federal Deposit Insurance Corporation insurance on its deposits;
- (2) The selected bank shall arrange for the deposit of the public funds in one or more federally insured financial institutions wherever located in the United States, for the account of the public funds depositor;
- (3) On the same date that the public funds are deposited pursuant to subdivision (2) of this section, the selected bank shall receive an amount of deposits from customers of other federally insured financial institutions equal to the amount of the public funds initially placed by the public funds depositor;
- (4) Each such deposit shall be insured by the Federal Deposit Insurance Corporation;
- (5) The selected bank shall act as custodian for the public funds depositor with respect to the deposits placed in the depositor's account.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1097

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1097
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State