

HOUSE BILL NO. HB0030

Deposits and depositories.

Sponsored by: Joint Corporations, Elections & Political  
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to deposits and depositories; amending  
2 board of deposits procedures; amending the procedure for  
3 designating state fund depositories; providing for  
4 continuing designation; requiring the disclosure of  
5 disciplinary actions as specified; providing for the  
6 revocation of depository designations; providing for the  
7 promulgation of rules; providing definitions; amending  
8 provisions related to securing the deposit of state funds;  
9 amending requirements related to joint custody agreements  
10 which secure deposits; and providing for an effective date.

11

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

13

1           **Section 1.** W.S. 9-4-801 through 9-4-803,  
2 9-4-804(b) (ii), 9-4-806, 9-4-810, 9-4-811, 9-4-825,  
3 9-4-827(b) and 9-4-828 are amended to read:

4

5           **9-4-801. Board of deposits; creation; composition;**  
6 **records; meetings; general duties.**

7

8 The state loan and investment board is established as and  
9 shall perform the duties of the board of deposits. The  
10 governor is the chairman of the board and the state  
11 treasurer is the secretary of the board for the purpose of  
12 performing the duties of the board of deposits. The records  
13 of the board of deposits kept by the secretary, or a duly  
14 certified copy thereof, are prima facie evidence of any  
15 action of the board. The board of deposits shall meet  
16 quarterly ~~in March, June, September and December of~~ each  
17 year, or at any other time, upon the call of the chairman.  
18 ~~At the June meeting,~~ The board shall designate banks within  
19 this state eligible as state depositories for the purpose  
20 of receiving on deposit funds of this state.

21

22           **9-4-802. Board of deposits; application; designation**  
23 **of depositories; revocation of designation.**

1

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

1 and any other information the secretary of the board deems  
2 necessary. If, at any time state funds are on deposit with  
3 a state depository, a state depository comes under  
4 management or control of the federal deposit insurance  
5 corporation or any other federal or state regulatory  
6 entity, the state depository shall notify the secretary of  
7 the board of the regulatory action if the action is not  
8 confidential. The board may revoke a bank's designation as  
9 a state depository at any time except that no time deposit,  
10 open account shall be withdrawn from a state depository  
11 prior to the date of maturity without providing forty-five  
12 (45) days prior written notice, absent a default by the  
13 state depository.

14

15 **9-4-803. Deposit of state money in approved**  
16 **depositories; authority of treasurer; rulemaking.**

17

18 (a) The state treasurer may deposit any portion of  
19 the public monies in his possession in national banks  
20 within this state or in any state banks incorporated under  
21 the laws of and doing business in this state, as have been  
22 approved under W.S. 9-4-801 through 9-4-818 by the board of  
23 deposits. As used in W.S. 9-4-801 through 9-4-818, "bank"

1 includes federal and state savings and loan associations.  
2 Federal and state savings and loan associations may be  
3 designated as depositories for state funds in the same  
4 manner as state and national banks.

5

6 (b) The state treasurer may promulgate necessary  
7 rules and regulations for the implementation of the  
8 approved state depository and time deposit, open account  
9 programs.

10

11 **9-4-804. Deposit of state money in approved**  
12 **depositories; required security; contents and form of**  
13 **surety bond; definitions.**

14

15 (b) Surety bonds shall:

16

17 (ii) Contain the further obligation to settle  
18 with and pay to the state treasurer, for the use of the  
19 state, interest upon daily balance on the deposits, at the  
20 agreed upon rate, which shall not be less than the minimum  
21 rate fixed by the board of deposits, payable quarterly on  
22 the first business day of January, April, July and October  
23 in each year, or when the account is closed. As used in

1 W.S. 9-4-801 through 9-4-815, "business day" means any day  
2 other than a Saturday, Sunday, a bank holiday in the state  
3 or other day that is considered a holiday for the employees  
4 of the state.

5  
6 **9-4-806. Deposit of state money in approved**  
7 **depositories; bank resolution.**

8  
9 (a) Every bank designated as a depository for funds  
10 of the state of Wyoming or any political subdivision  
11 thereof, ~~within thirty (30) days following the designation~~  
12 ~~by the state board of deposits or proper governing board,~~  
13 shall furnish to the treasurer of the state of Wyoming, or or  
14 treasurer of the appropriate political subdivision, a  
15 certified copy of the resolution adopted by its board of  
16 directors which shall be in:

17  
18 (i) A form acceptable to the state treasurer or  
19 treasurer of the appropriate political subdivision; or

20  
21 (ii) Substantially the following form:  
22

1           "WHEREAS, it is necessary for (name of designated  
2 depository) to properly secure the political division or  
3 subdivision for all monies deposited in the bank by the  
4 Treasurer of the political division or subdivision,  
5 hereinafter called the Treasurer; and

6

7           WHEREAS, no deposit will be made in the bank by the  
8 Treasurer unless the deposit is properly secured, and the  
9 giving of proper security is one of the considerations for  
10 receiving the deposits; and

11

12           WHEREAS, the Treasurer may, when furnished proper  
13 security, carry a maximum credit balance with the bank of  
14 .... Dollars; and

15

16           WHEREAS, the Treasurer is willing to receive  
17 securities designated by laws of Wyoming as legal  
18 collateral security as security for the deposit;

19

20           NOW, THEREFORE, BE IT RESOLVED by the Board of  
21 Directors of the depository bank that any two of the  
22 following named persons, officers of the bank, are  
23 authorized and empowered to pledge to the Treasurer of the

1 state or political subdivision securities of this bank  
 2 which are legal for collateral security for deposit of  
 3 public funds, and which the Treasurer is willing to accept  
 4 as collateral security, and in amounts and at the time the  
 5 Treasurer and bank officers agree upon:

6

7 (Bank Officer's Name) (Title)

8

9 " " " "

10

11 " " " "

12

13 BE IT FURTHER RESOLVED that this authority given to  
 14 the officers of the bank named herein to furnish collateral  
 15 security to the Treasurer shall be continuing and shall be  
 16 binding upon the bank until the authority given to the bank  
 17 officers named herein is revoked or superseded by another  
 18 resolution of this Board of Directors, verified copy of  
 19 which shall be delivered by a representative of the bank to  
 20 the Treasurer or mailed to the Treasurer by registered  
 21 mail. The right given the officers named herein to pledge  
 22 security as collateral also includes the right to give  
 23 additional collateral security and to withdraw such



1 collateral as the Treasurer is willing to surrender and the  
2 right to substitute one piece or lot of collateral for  
3 another, provided the Treasurer is willing to make such  
4 exchange or substitution.

5

6 BE IT FURTHER RESOLVED that the bank officers named  
7 herein are fully authorized and empowered to execute in the  
8 name of the bank such collateral pledge agreement in favor  
9 of the Treasurer as the Treasurer requires, and any  
10 collateral pledge agreement executed or any act done by the  
11 bank officers named herein under the authority of this  
12 Resolution shall be as binding and effective upon this bank  
13 as though authorized by specific Resolution of the Board of  
14 Directors of this Bank.

15

16 (b) The certified copy required by subsection (a) of  
17 this section shall be provided at the time of the bank's  
18 application or within thirty (30) days following the  
19 designation by the state board of deposits or proper  
20 governing board, as directed by the state treasurer or  
21 treasurer of the appropriate political subdivision.

22

1           **9-4-810. "Time deposit, open account"; rate of**  
2 **interest on public funds.**

3  
4 Quarterly ~~in March, June, September and December of~~ each  
5 year, taking into consideration all information before it,  
6 the board of deposits shall fix the minimum rate of  
7 interest to be paid on time deposit, open account. Time  
8 deposits shall be at the minimum rate of interest as fixed  
9 by the board or at such higher rate as agreed to by the  
10 depository bank. The minimum rate shall go into effect on  
11 the first day of April, July, October and January following  
12 as the case may be, and the rate shall not be changed for  
13 three (3) months.

14

15           **9-4-811. "Time deposit, open account"; payment of**  
16 **interest; accounts of monies.**

17

18 Interest paid by banks on public funds on time deposit,  
19 open account shall be paid to the state treasurer quarterly  
20 ~~in~~ on the first business day of January, April, July and  
21 October as required by the state treasurer. The state  
22 treasurer shall require, and every depository shall keep

1 accurate accounts of all monies deposited with it, showing  
2 the amounts deposited and when deposited.

3

4 **9-4-825. Joint custody agreement for securing local**  
5 **deposits; banks authorized to receive collateral.**

6

7 Any properly designated depository of the public funds of  
8 the state or any political subdivision thereof, and any  
9 treasurer of any proper governing board may agree, as an  
10 alternate method of securing the deposit of public funds,  
11 to place the collateral security in any financial  
12 institution, as defined in W.S. 13-1-101(a)(ix) and other  
13 than the depository bank, chartered ~~by the state of~~  
14 ~~Wyoming,~~ as a state bank or in any national bank, ~~other~~  
15 than the depository bank, ~~authorized to do business in the~~  
16 ~~state of Wyoming, or~~ in any federal reserve bank or branch  
17 thereof, ~~or~~ in any bank which is a member of the federal  
18 reserve system or in any government-sponsored enterprise.  
19 The financial institution receiving the collateral security  
20 shall be known as the custodian.

21

22 **9-4-827. Joint custody agreement for securing local**  
23 **deposits; form for receipts.**

1

2 (b) Joint custody trust receipts issued by other  
3 banks shall be:

4

5 (i) In a form required by the treasurer of the  
6 proper governing board; or

7

8 (ii) In substantially the following form:

9

10 JOINT CUSTODY RECEIPT

11

12 (Name, address of issuer of the Joint Custody Receipt)  
13 hereinafter called the custodian, has received to be held  
14 in safekeeping subject to the joint order of

15

16 (Name of Treasurer and official title) hereinafter  
17 called the Treasurer and

18

19 (Name of depository bank) hereinafter called the  
20 Depository Bank the following described securities:

21

22 Following and Subsequent

23

1	Description	coupon attached	Par Value
2			
3		Mo. Day	Year
4			
5	Total par value (in writing and figures		\$ )
6			

7 **9-4-828. Joint custody agreement for securing local**  
 8 **deposits; execution and contents of agreement.**

9  
 10 (a) The joint custody ~~receipt~~agreement shall be  
 11 executed by the custodian, the depository bank and the  
 12 treasurer of the proper governing board and ~~the receipt~~  
 13 shall:

14  
 15 (i) Contain the following provisions:

16  
 17 ~~(i)~~(A) The custodian will detach as they  
 18 mature and enter for collection the coupons from the  
 19 securities and the proceeds when collected will be credited  
 20 to the account of the depository bank unless otherwise  
 21 ordered by the treasurer;

22

1                   ~~(ii)~~ (B) The custodian will enter matured  
2 principal for collection and hold the proceeds when  
3 collected subject to the joint order of the treasurer and  
4 depository bank;

5  
6                   ~~(iii)~~ (C) It is understood by the treasurer  
7 and depository bank that the custodian assumes no  
8 responsibility for the nonpayment of interest or principal  
9 nor for the validity, genuineness or enforceability of any  
10 of the securities deposited in safekeeping hereunder nor  
11 makes any representation or warranties expressed or  
12 implied, as to the value or worth thereof, nor for the  
13 giving of notice of maturity, calls for redemption or the  
14 exercise of any rights, priorities, privileges of exchange  
15 or conversion or for the timely presentation of maturing  
16 principal or interest of any securities deposited under  
17 this agreement;

18  
19                   ~~(iv)~~ (D) The custodian assumes no  
20 responsibility with respect to the safekeeping and  
21 condition of deposited property beyond the care and custody  
22 it gives its own securities held on its own premises. Any  
23 and all forms of protective insurance are to be furnished

1 by the treasurer and depository bank at their option and  
2 expense. The custodian is not required to furnish any form  
3 of protective insurance; and

4  
5 ~~(v)~~ (E) The custodian shall deliver the  
6 securities to the treasurer upon the sole order of the  
7 treasurer when supported by a verified certificate of the  
8 state banking commissioner certifying under seal that the  
9 depository bank has failed or refused to pay all or a  
10 portion of the deposit due the treasurer by the depository  
11 bank and that under the terms of the pledge agreement  
12 executed by the depository bank the treasurer is entitled  
13 to delivery of the securities described in this receipt or  
14 the proceeds thereof. Otherwise the securities shall be  
15 delivered only upon the written joint order and  
16 instructions of the treasurer and depository bank; ~~or~~ or

17  
18 (ii) Contain provisions as required by the state  
19 treasurer or the treasurer of the proper governing board  
20 which provisions may include terms regarding credit of  
21 proceeds from the collateral, release of the custodian from  
22 liabilities, the custodian's standard of care in

1 safekeeping the collateral and conditions regarding the  
2 custodian's delivery of the collateral to the treasurer.

3

4 **Section 2.** This act is effective July 1, 2015.

5

6

(END)