

## LEGISLATIVE BILL 217

Approved by the Governor May 27, 1999

Introduced by Chambers, 11

AN ACT relating to state funds; to amend sections 72-1268 and 77-2301, Reissue Revised Statutes of Nebraska; to change provisions relating to eligibility for the keeping on deposit and investment of state funds; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 72-1268, Reissue Revised Statutes of Nebraska, is amended to read:

72-1268. (1) Notwithstanding any other provision of law, every bank and building and loan association shall be eligible for the maximum investment offered to all banks provided for in section 72-1263. The bank or building and loan association shall give a bond or, in lieu of a bond, may give security for any investment under the Nebraska Capital Expansion Act as provided in sections 72-1268.01 to 72-1268.04. Any bank or building and loan association may apply for the privilege of keeping on deposit such funds.

(2)(a) Every bank and building and loan association shall, as a condition of accepting state funds, agree to cash free of charge state warrants which are presented by payees of the state without regard to whether or not such payee has an account with such bank or building and loan association, and such bank or building and loan association shall not require such payee to place his or her fingerprint or thumbprint on the state warrant as a condition to cashing such warrant.

(b) The condition of accepting state funds in subdivision (2)(a) of this section shall not preclude any bank or building and loan association from refusing to cash a state warrant presented to the bank or building and loan association if (i) a stop-payment order has been placed on the state warrant, (ii) the state warrant has been reported as unregistered, voided, lost, stolen, destroyed, or that a duplicate state warrant has been issued in its place, (iii) the state warrant is incomplete or is forged or altered in any manner, (iv) the state warrant lacks any necessary indorsement or an indorsement is illegible, unauthorized, or forged, (v) the state warrant is stale-dated, or (vi) the bank or building and loan association has a reasonable belief that the individual presenting the state warrant is not the payee named on the state warrant.

Sec. 2. Section 77-2301, Reissue Revised Statutes of Nebraska, is amended to read:

77-2301. (1) The State Treasurer shall deposit, and at all times keep on deposit for safekeeping, in the state or national banks, or some of them doing business in this state and of approved standing and responsibility, the amount of money in his or her hands belonging to the several current funds in the state treasury. Any bank may apply for the privilege of keeping on deposit such funds or some part thereof.

(2)(a) Every bank shall, as a condition of keeping on deposit state funds, agree to cash free of charge state warrants which are presented by payees of the state without regard to whether or not such payee has an account with such bank, and such bank shall not require such payee to place his or her fingerprint or thumbprint on the state warrant as a condition to cashing such warrant.

(b) The condition of keeping on deposit state funds in subdivision (2)(a) of this section shall not preclude any bank from refusing to cash a state warrant presented to the bank if (i) a stop-payment order has been placed on the state warrant, (ii) the state warrant has been reported as unregistered, voided, lost, stolen, destroyed, or that a duplicate state warrant has been issued in its place, (iii) the state warrant is incomplete or is forged or altered in any manner, (iv) the state warrant lacks any necessary indorsement or an indorsement is illegible, unauthorized, or forged, (v) the state warrant is stale-dated, or (vi) the bank has a reasonable belief that the individual presenting the state warrant is not the payee named on the state warrant.

(3) All deposits shall be subject to payment when demanded by the State Treasurer on his or her check and shall be subject also to such regulations as are imposed by law and rules adopted by the State Treasurer in receiving and holding such deposits.

Sec. 3. Original sections 72-1268 and 77-2301, Reissue Revised Statutes of Nebraska, are repealed.