

LEGISLATIVE BILL 266

Approved by the Governor March 21, 1977

Introduced by Banking, Commerce and Insurance Committee, DeCamp, 40, Chmn.; Labeledz, 5; Schmit, 23; Mills, 44; Murphy, 17

AN ACT to amend sections 16-715 and 17-2320, Reissue Revised Statutes of Nebraska, 1943, relating to deposit and investment of public funds; to provide additional securities to qualify as collateral for public funds; to harmonize provisions; and to repeal the original sections.

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

Section 1. That section 16-715, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

16-715. In lieu of the bond required by section 16-714, any bank making application to become a depository may deposit as security with the city clerk, (1) United States government bonds, (2) United States government guaranteed bonds or notes, (3) bonds of any state or municipal subdivision which are fully defeased as to principal and interest by any combination of bonds or notes authorized in subdivisions (1), (2), or (7) of this section, (4) bonds of the State of Nebraska or of any state whose bonds are purchased by the Board--of Educational-Bands-and-Funds state investment officer of this state for investment of the Permanent School Fund, (5) warrants of the State of Nebraska, (6) county bonds, municipal bonds or school district bonds of any county, city, village or school district in the State of Nebraska issued under the direction of and with the approval of the Auditor of Public Accounts, (7) bonds or notes of United States governmental agencies including bonds and debentures issued either singly or collectively by any of the twelve federal land banks, the twelve intermediate credit banks, or the thirteen banks for cooperatives under the supervision of the Farm Credit Administration, or (8) warrants of the county or any city, village or school district in the county; Provided, that the penal sum of said bond or the sum of said pledge of assets shall be of the value equal to or greater than the amount of the deposit in excess of that portion of said deposit insured by the Federal Deposit Insurance Corporation. The depository bank furnishing securities above described shall have the right to substitute other approved securities herein provided for in lieu of securities already pledged if it so desires at any time.

Sec. 2. That section 77-2320, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2320. In lieu of a bond as provided in sections 77-2316 to 77-2319, any bank making application to become a depository under the provisions of sections 77-2312 to 77-2324 may deposit with the county clerk (1) United States government bonds; (2) United States government guaranteed bonds or notes; (3) bonds or notes of United States governmental agencies including bonds and debentures issued either singly or collectively by any of the twelve federal land banks, the twelve intermediate credit banks, or the thirteen banks for cooperatives under the supervision of the Farm Credit Administration; (4) bonds of any state or municipal subdivision which are fully defeased as to principal and interest by any combination of bonds or notes provided in subdivisions (1) to (3) of this section; ~~(4)~~ (5) bonds of the State of Nebraska or of any state whose bonds are purchased by the ~~Board of Educational Lands and Funds~~ state investment officer of this state for investment of the Permanent School Fund; ~~(6)~~ (6) warrants of the State of Nebraska; ~~(6)~~ (7) county bonds, municipal bonds or school district bonds of any county, city, village or school district in the State of Nebraska issued under the direction of and with the approval of the Auditor of Public Accounts; ~~(7)~~ (8) securities issued under the authority of the Federal Farm Loan Act; or ~~(8)~~ (9) warrants of the county or any city, village or school district in the county.

Sec. 3. That original sections 16-715 and 77-2320, Reissue Revised Statutes of Nebraska, 1943, are repealed.