

STATE DEPOSITORIES.

CHAPTER 105.

[H. B. No. 1.]

PROVIDING FOR STATE DEPOSITORIES.

AN ACT Entitled "An Act to Provide for State Depositories and to Regulate the Deposit of Public Moneys Therein, and the Interest Thereon, and Prescribing the Means Thereof."

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. BOARD OF DEPOSITS.] Any national or state banking corporation which shall be approved by a board to be known as the "Board of Deposits" consisting of the Governor, the State Auditor and the Attorney General may, upon filing bond as hereinafter provided, and upon compliance with all other requirements of law, become a state depository. The members of the board of deposits shall receive no additional compensation by reason of the performance of their duties upon such board. The records of the proceedings of said board shall be kept by the Secretary of State, and a duly certified copy thereof, or any part thereof, shall be admissible in evidence in any action or proceeding in the courts of this State.

§ 2. BOND OF STATE DEPOSITORY.] Every such state depository, before it shall be entitled to receive any public moneys, shall file with the State Treasurer a good and sufficient bond, conditioned for the payment upon demand, to the State Treasurer or to his order, free of exchange, at any place in this State designated by him, of all moneys deposited with it, and of interest thereon, at a rate approved by said board of deposits, with not less than five sureties, residents and freeholders of this State, who shall together be worth, in property within this State not exempt from execution, over and above their debts and liabilities, double the amount of the penalty of said bond, and each of whom shall be worth not less than five thousand dollars, and who shall justify such responsibility by their several affidavits; which said bond and sureties shall, before filing, have been approved by the board of deposits.

§ 3. BOARD SHALL ACCEPT HIGHEST BID.] The board of deposits shall not at any time accept the bid of any banking corporation at a rate less than two (2) per cent. nor exceeding three (3) per cent. and securities being equal, the board shall accept the highest bids.

§ 4. APPROVAL OF BOND.] The board of deposits shall not approve the bond of any such corporation until the members of said board shall be fully satisfied, both that said bond is good and sufficient, and that such corporation is prosperous and financially sound, and has, unimpaired, the paid up capital claimed by it. And the board of deposits may at any time require any state depository to furnish new or additional bond, and may at any time revoke their designation and approval of any state depository; and immediately upon such revocation such corporation shall cease to be a state depository, and the State Treasurer shall immediately withdraw all public moneys therefrom.

§ 5. DUTY OF STATE TREASURER.] The State Treasurer shall deposit with such depositories all public moneys in his hands or under his official control, on or before the first day of each month, in the name of the State, but such sum or sums shall not exceed the amount designated by the board of deposits; and any sums so on deposit shall be deemed to be in the State treasury, and the State Treasurer shall not be liable for any loss thereof, resulting from failure or default of any such depository without fault or neglect on the part of said Treasurer, his assistants or employes.

§ 6. AMOUNT OF DEPOSIT.] The amount at any time on deposit with any State depository shall not exceed one-half of the assessed capital stock of such depository, nor one-half of the penalty of the bond filed by it in accordance with Section 2 of this act; nor shall exceed the amount prescribed by the board of deposits.

§ 7. ANNUAL MEETING OF BOARD—ADVERTISE FOR PROPOSALS.] The annual meeting of said board of deposits shall be held at Bismarck on the first Tuesday after the first Monday of June in each year. The Secretary of State shall advertise in daily newspapers of general circulation, published at three different points in the State newspapers published in the State for at least fifteen days immediately prior to said above mentioned meetings, (providing that there be \$20,000 in all funds in the treasury) for sealed proposals for the deposit of the funds of the State, in accordance with this act. Such advertisement shall state the date until which proposals will be received, which date shall be the first day of the meeting at which the proposals are to be opened. Such proposals shall state in writing what rate of interest will be paid on the average daily balance of deposit during the month, interest to be paid quarterly, on condition that said funds, with accrued interest, shall be held subject to draft at all times on demand. Said proposals shall be enclosed in sealed envelopes, addressed to the Secretary of State, and marked "Proposals for Deposits of State Funds" and shall be by the Secretary of State filed in his office.

§ 8. SHALL FILE SWORN STATEMENT.] Each State depository shall, on the first day of each month, and oftener when required,

file with the Secretary of the State a sworn statement of the amount of public moneys deposited with it. Each State depository shall also quarterly, within ten days after the first day of January, April, July and October, of each year, with the exception of the month of July in the year 1895, make full statement of all deposits and payments of public moneys during the preceding quarter, together with computation and statement of the interest earned thereon, computed upon the daily balance on deposit, which interest, shall thereupon be added to and become a part of the deposit balance, such statement shall be accompanied by an affidavit of the cashier of such depository that such statement is in all respects true and correct.

§ 9. PENALTY.] No State Treasurer shall deposit any of the funds of the State excepting in accordance with the provisions of this act under a penalty of \$500 for each deposit not in accordance herewith.

§ 10. CHECKS SIGNED BY STATE TREASURER.] All checks drawn upon the State depositories shall be signed by the State Treasurer in the name of the State by himself as treasurer.

§ 11. MALFEASANCE—WHEN GUILTY.] It is hereby made the duty of the officers mentioned in this act to comply with all the provisions of this act, and any officer violating any of the provisions of this act shall be deemed guilty of malfeasance in office.

§ 12. REPEAL. All acts or parts of acts in conflict herewith are hereby repealed.

§ 13. EMERGENCY.] *Whereas*, An emergency exists in this, that it is necessary to make the provisions of this act, operative in time for the annual meeting, designated in this act; *Therefore*, this act shall take effect and be in force, from and after its passage and approval.

Approved, March 4, 1895.