

Adopted Rejected

COMMITTEE REPORT

YES: 7
NO: 0

MR. SPEAKER:

*Your Committee on Financial Institutions, to which was referred Senate Bill 205, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-13-9-8 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. Any investing
- 5 officer of a political subdivision that makes a deposit in any deposit or
- 6 other account may be required to pay a service charge to the depository
- 7 in which the funds are deposited, if the depository requires all
- 8 customers to pay the charge for providing that service. However, the
- 9 service charge imposed must be considered in the computation of the
- 10 interest rate for determining which depositories are entitled to
- 11 investments as prescribed by sections 4 and 5 of this chapter. If the
- 12 total service charge cannot be computed before the investment, the
- 13 investing officer shall estimate the service charge and adjust the
- 14 interest rate based on this estimate. The service charge may be paid:

1 (1) by direct charge to the deposit or other account; or
2 (2) in any other a manner mutually agreed upon by the investing
3 officer and the depository. **that subtracts the service charge**
4 **from interest earned on the funds in the deposit or other**
5 **account."**

6 Page 2, after line 42, begin a new paragraph and insert:

7 "SECTION 3. IC 5-13-11-3 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The contract
9 may provide for the depository to assess a service charge for its
10 management of the investment cash management system. The service
11 charge may be paid:

12 (1) by direct charge to the deposit or other account; or
13 (2) in any other a manner mutually agreed upon by the investing
14 officer and the depository. **that subtracts the service charge**
15 **from interest earned on the funds in the deposit or other**
16 **account."**

17 Renumber all SECTIONS consecutively.

(Reference is to SB 205 as printed February 1, 2011.)

and when so amended that said bill do pass.

Representative Burton