

# SENATE BILL No. 109

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-13-9-5.3.

**Synopsis:** Deposit of public funds by local units. Expands the existing authority of counties and political subdivisions to invest, through a selected local depository institution, in certificates of deposit issued by federally insured banks or savings and loan associations, wherever located, to include the authority to invest in interest bearing transaction accounts of federally insured banks or savings and loan associations, wherever located, through the same procedure and under the same conditions.

**Effective:** July 1, 2012.

---

---

### Holdman

---

---

January 4, 2012, read first time and referred to Committee on Tax and Fiscal Policy.

---

---

C  
o  
p  
y



Second Regular Session 117th General Assembly (2012)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

C  
o  
p  
y

# SENATE BILL No. 109



A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-13-9-5.3, AS ADDED BY P.L.115-2010,  
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2012]: Sec. 5.3. (a) In addition to the authority to invest in  
4 certificates of deposit under section 5 of this chapter **and in**  
5 **transaction accounts under section 4 of this chapter**, and  
6 notwithstanding any other law, the board of county commissioners of  
7 each county, and the fiscal body of each political subdivision other than  
8 a county, may by ordinance or resolution authorize the investing officer  
9 of each, respectively, to invest public funds in ~~certificates of deposit~~  
10 **interest bearing deposits** in accordance with the following conditions:  
11 (1) The funds are initially invested through a depository that is  
12 selected by the investing officer.  
13 (2) The selected depository arranges for the deposit of the funds  
14 in ~~certificates of deposit~~ **interest bearing deposits** in one (1) or  
15 more federally insured banks or savings and loan associations,  
16 wherever located, for the account of the county or political  
17 subdivision.



- 1 (3) The full amount of the principal and any accrued interest of
- 2 each ~~certificate of deposit~~ are covered by insurance of any federal
- 3 deposit insurance agency.
- 4 (4) The selected depository acts as a custodian for the county or
- 5 political subdivision with respect to the ~~certificates of deposit~~
- 6 ~~issued for its account.~~ **deposits.**
- 7 (5) ~~At~~ **On** the same ~~time date~~ that the county's or political
- 8 subdivision's funds are deposited, ~~and the certificates of deposit~~
- 9 ~~are issued,~~ the selected depository receives an amount of deposits
- 10 covered by insurance of any federal deposit insurance agency
- 11 from customers of other institutions, wherever located, at least
- 12 equal to the amount of the funds invested by the county or
- 13 political subdivision through the selected depository.
- 14 (b) Public funds invested in accordance with subsection (a) are not
- 15 subject to any security or pledging requirements that may otherwise be
- 16 applicable to the deposit or investment of public funds.

C  
o  
p  
y

