

SENATE FILE NO. SF0143

Public monies-deposits in credit unions.

Sponsored by: Senator(s) Nethercott, Barlow, Brennan, Ide,
Jones, Olsen, Salazar and Schuler and
Representative(s) Angelos, Bear, Heiner,
Knapp and Larsen, L

A BILL

for

1 AN ACT relating to public funds; authorizing the deposit of
2 public monies in credit unions; making conforming
3 amendments; and providing for an effective date.

4

5 *Be It Enacted by the Legislature of the State of Wyoming:*

6

7 **Section 1.** W.S. 9-4-801, 9-4-802, 9-4-803(a),
8 9-4-805, 9-4-806(a)(intro) and (b), 9-4-807, 9-4-809,
9 9-4-810, 9-4-811, 9-4-812, 9-4-817(a), (c)(i), (d)(intro)
10 and (ii) and 9-4-818(a) are amended to read:

11

12 **9-4-801. Board of deposits; creation; composition;**
13 **records; meetings; general duties.**

14

1 The state loan and investment board is established as and
2 shall perform the duties of the board of deposits. The
3 governor is the chairman of the board and the state
4 treasurer is the secretary of the board for the purpose of
5 performing the duties of the board of deposits. The records
6 of the board of deposits kept by the secretary, or a duly
7 certified copy thereof, are prima facie evidence of any
8 action of the board. The board of deposits shall meet
9 quarterly each year, or at any other time, upon the call of
10 the chairman. The board shall designate banks or credit
11 unions within this state eligible as state depositories for
12 the purpose of receiving on deposit funds of this state.

13

14 **9-4-802. Board of deposits; application; designation**
15 **of depositories; revocation of designation.**

16

17 A bank or credit union applying to be a state depository
18 shall file a written application with the secretary of the
19 board of deposits. The application shall be accompanied by
20 a sworn statement of the financial condition of the bank or
21 credit union at the time the application is made and a
22 certified resolution providing proper authority of the
23 depository. The secretary of the board of deposits shall

1 review all applications, prepare a recommendation regarding
2 each, and submit a list of all applicants and his
3 recommendations to the board. The secretary of the board
4 shall prepare a list of all financial institutions of the
5 state which are approved by the board to be depositories.
6 The chairman and the secretary of the board shall certify
7 the list to the bank collateral officer who is designated
8 by the state treasurer. Once the bank collateral officer
9 is designated, the state treasurer shall provide a written
10 order to the bank or credit union declaring it a state
11 depository until its authority is revoked by the board.
12 Each year, designated state depositories shall submit a
13 current statement of condition, a certified copy of a
14 resolution indicating its authority to act as a state
15 depository has not been revoked and any other information
16 the secretary of the board deems necessary. If, at any
17 time state funds are on deposit with a state depository, a
18 state depository is subject to any public enforcement
19 action by any federal or state regulatory entity, the state
20 depository shall notify the secretary of the board of the
21 regulatory action if the action is not confidential. The
22 board may revoke a bank's or credit union's designation as
23 a state depository at any time except that no time deposit,

1 open account shall be withdrawn from a state depository
2 prior to the date of maturity without providing forty-five
3 (45) days prior written notice, absent a default by the
4 state depository.

5

6 **9-4-803. Deposit of state money in approved**
7 **depositories; authority of treasurer; rulemaking.**

8

9 (a) The state treasurer may deposit any portion of
10 the public monies in his possession in any bank or credit
11 union chartered under the laws of the United States or
12 under the law of any state if the bank or credit union is
13 conducting business in Wyoming and has been approved under
14 W.S. 9-4-801 through 9-4-818 by the board of deposits. As
15 used in W.S. 9-4-801 through 9-4-818, "bank" includes
16 federal and state savings and loan associations. Federal
17 and state savings and loan associations or credit unions
18 may be designated as depositories for state funds in the
19 same manner as state and national banks.

20

21 **9-4-805. Deposit of state money in approved**
22 **depositories; other acceptable security.**

23

1 Instead of furnishing a surety bond as security for the
2 deposits, a depository may pledge any bonds, debentures and
3 other securities in which the state treasurer may by law
4 invest and in an amount equal, at least, to the maximum
5 amount of money at any time to be deposited with the bank
6 or credit union. The bonds, debentures and other securities
7 so pledged shall have a market value at least equal to the
8 amount of the deposit. In addition, any depository may
9 furnish as security for the deposit letters of credit
10 issued by any Federal Home Loan Bank in such form as
11 approved by the state treasurer of Wyoming or pledge
12 conventional first mortgages of Wyoming real estate and
13 notes connected with the mortgages at a ratio of one and
14 one-half to one (1.5:1) of the value of public funds
15 secured by them. A pledge of collateral as security for
16 the deposit of public funds shall be accompanied by a
17 written assignment from the depository vesting legal title
18 thereto to the state and by any other instruments required
19 by the state treasurer. The assignment shall provide that
20 the depository shall pay over deposited public funds and
21 accrued interest thereon to the state treasurer, or his
22 authorized deputy, upon check, order or demand in
23 accordance with this article. The assignment shall also

1 provide that the state has the authority, if the depository
2 defaults, to sell all collateral necessary to realize the
3 full amount of deposited public funds and interest accrued
4 thereon. The interest on bonds, debentures and other
5 securities, so pledged, when paid shall be remitted to the
6 bank or credit union so pledging them, as long as it is not
7 in default.

8

9 **9-4-806. Deposit of state money in approved**
10 **depositories; bank resolution.**

11

12 (a) Every bank or credit union designated as a
13 depository for funds of the state of Wyoming or any
14 political subdivision thereof shall furnish to the
15 treasurer of the state of Wyoming, or treasurer of the
16 appropriate political subdivision, a certified copy of the
17 resolution adopted by its board of directors which shall be
18 in:

19

20 (b) The certified copy required by subsection (a) of
21 this section shall be provided at the time of the bank's or
22 credit union's application or within thirty (30) days
23 following the designation by the state board of deposits or

1 proper governing board, as directed by the state treasurer
2 or treasurer of the appropriate political subdivision.

3

4 **9-4-807. Deposit of state money in approved**
5 **depositories; federal insurance; security for deposits not**
6 **covered.**

7

8 Any properly designated depository of the public funds of
9 the state, or of any political subdivision thereof, which
10 is entitled to the benefits of deposit insurance provided
11 for by the Federal Deposit Insurance Corporation or the
12 national credit union share insurance fund, if applicable,
13 and the acts of congress relating thereto, shall give and
14 at all times maintain security for the prompt payment and
15 the safekeeping of the whole amount of any such deposit.
16 The deposit insurance provided by the Federal Deposit
17 Insurance Corporation or the national credit union share
18 insurance fund, if applicable, is eligible as the security
19 required for the portion of any deposit that is insured by
20 the corporation, and constitutes all of the security
21 required for the portion. Any portion of the deposit as is
22 not so insured shall be secured by depository bond or
23 approved collateral securities as required by law.

1

2 **9-4-809. "Time deposit, open account"; definition.**

3

4 As used in W.S. 9-4-809 through 9-4-812 and 9-4-817 "time
5 deposit, open account" means a deposit, other than a "time
6 certificate of deposit" or a "savings deposit", with
7 respect to which "time deposit, open account" there is in
8 force a written contract between the depositor and the
9 depository bank or credit union that neither the whole or
10 any part of the deposit may be withdrawn by the depositor,
11 by check or otherwise, prior to the date of maturity or
12 returned to the depositor by the depository, prior to the
13 date of maturity, without written notice given not less
14 than forty-five (45) days in advance of withdrawals or
15 returns.

16

17 **9-4-810. "Time deposit, open account"; rate of**
18 **interest on public funds.**

19

20 Quarterly each year, taking into consideration all
21 information before it, the board of deposits shall fix the
22 minimum rate of interest to be paid on time deposit, open
23 account. Time deposits shall be at the minimum rate of

1 interest as fixed by the board or at such higher rate as
2 agreed to by the depository bank or credit union. The
3 minimum rate shall go into effect on the first day of
4 April, July, October and January following as the case may
5 be, and the rate shall not be changed for three (3) months.

6

7 **9-4-811. "Time deposit, open account"; payment of**
8 **interest; accounts of monies.**

9

10 Interest paid by banks or credit unions on public funds on
11 time deposit, open account shall be paid to the state
12 treasurer quarterly on the first business day of January,
13 April, July and October as required by the state treasurer.
14 The state treasurer shall require, and every depository
15 shall keep accurate accounts of all monies deposited with
16 it, showing the amounts deposited and when deposited.

17

18 **9-4-812. Withdrawals of state funds; liability of**
19 **treasurer for money or bond loss.**

20

21 The state treasurer or his authorized deputy may withdraw
22 any and all funds deposited for the purpose of paying the
23 appropriations and obligations of the state as lawfully

1 required or whenever he deems it advisable or to the
2 interests of the state to do so except funds deposited as
3 time deposit, open account shall require notice in advance
4 of withdrawal as specified in W.S. 9-4-809. The state
5 treasurer and his sureties are responsible for the faithful
6 performance of the duties of the treasurer under the law,
7 and for a proper accounting and turning over to his
8 successor of all monies paid to the treasurer as such but
9 he shall not be held personally liable for any monies that
10 may be lost by reason of the failure or insolvency of any
11 bank or credit union selected as a state depository nor for
12 the deficiency or loss upon any surety bond or securities
13 deposited by any bank or credit union, if the surety bond
14 or securities were placed according to law, unless the loss
15 could have been avoided by the exercise of reasonable care
16 and diligence on the part of the treasurer or his deputy,
17 in which case the treasurer is liable to the state for the
18 loss.

19

20 **9-4-817. Deposits by political subdivisions; selected**
21 **institutions; security; withdrawals.**

22

1 (a) To the extent they are not otherwise invested,
2 the monies collected and held by a treasurer of a political
3 subdivision, municipality or special district within this
4 state shall be deposited in banks or credit unions which
5 qualify as depositories for public monies as specified in
6 W.S. 9-4-803(a).

7

8 (c) The deposits made pursuant to this section shall
9 be made to the extent that they are:

10

11 (i) Fully insured by the Federal Deposit
12 Insurance Corporation or the national credit union share
13 insurance fund, whichever is applicable; or

14

15 (d) Any bank, savings and loan association, ~~or~~
16 federal savings bank or credit union, located in the state,
17 may apply to keep the monies upon the following conditions:

18

19 (ii) All funds deposited in a savings deposit
20 account shall be withdrawable upon demand provided that the
21 bank, ~~or~~ savings and loan association or credit union may
22 at any time require giving of notice in writing of an

1 intended withdrawal of thirty (30) days before a withdrawal
2 is made;

3

4 **9-4-818. Deposits by political subdivisions;**
5 **applications by, and approval of, banks; rate of interest;**
6 **defaults.**

7

8 (a) Applications by banks, ~~and~~ savings and loan
9 associations or credit unions shall be submitted to the
10 proper governing board and shall be acted upon by the
11 proper governing board as soon thereafter as practicable.
12 Prior to the deposit, the board shall negotiate the rate of
13 interest applicable to the deposit. No monies shall be
14 deposited by any treasurer except in banks, ~~and~~ savings and
15 loan associations or credit unions which have been approved
16 by the proper governing board.

17

18 **Section 2.** This act is effective July 1, 2025.

19

20

(END)