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(5) Provisions of law that specify that the balance in a fund shall not lapse or otherwise become part of the state General Fund shall mean that the balance in that fund shall not lapse or otherwise become part of the unappropriated surplus account of the fund in which that fund is placed.

History: L. 1965, ch. 132, § 8; 1986, ch. 154, § 6; 1993, ch. 4, § 81.

Amendment Notes. — The 1993 amend-

ment, effective May 3, 1993, substituted "chapter" for "act" in Subsection (2).

51-5-9 to 51-5-13. Repealed.

Repeals. — Laws 1986, ch. 154, § 11 repeals §§ 51-5-9 to 51-5-13, as enacted by Laws 1965, ch. 132, §§ 9 to 12 and Laws 1967, ch. 108, § 1, relating to consolidation of accounts, collection accounts, implementation of the Funds Consolidation Act, and the reclassification of funds.

Laws 1986, ch. 204, § 290 attempted to amend § 51-5-9. The repeal of the section by Laws 1986, ch. 154, § 11 takes precedence by direction of the Office of Legislative Research and General Counsel.

CHAPTER 6 STATE MONEY MANAGEMENT ACT

(Repealed by Laws 1974, ch. 27, § 39.)

51-6-1 to 51-6-23. Repealed.

Repeals. — Sections 51-6-1 to 51-6-23 (L. 1969, ch. 206, §§ 1 to 17, 20 to 25), the State Money Management Act, were repealed by

Laws 1974, ch. 27, § 39. For the present State Money Management Act, see Chapter 7 of this title.

CHAPTER 7 STATE MONEY MANAGEMENT ACT

Section		Section	
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Section		Section	
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51-7-16.	State Money Management Council — Members — Terms — Vacancies — Chairman and vice-chairman — Executive secretary — Meetings — Quorum — Members'	51-7-18.3.	Certified dealers list — Fees.
		51-7-19.	Increase in deposits of public funds — Authorization.
		51-7-20, 51-7-21.	Repealed.
		51-7-22.	Penalty for violation by public treasurer.
		51-7-23.	Investments previously authorized allowed until liquidated.

51-7-1. Short title of chapter.

This chapter shall be known and may be cited as the "State Money Management Act."

History: L. 1974, ch. 27, § 1; 1984, ch. 44, § 1; 1992, ch. 285, § 16.

Amendment Notes. — The 1992 amendment, effective April 27, 1992, deleted "of 1974" at the end of the section.

Cross-References. — Budgetary Procedures Act, Title 63, Chapter 38.

Deposit of funds due state, Chapter 4 of this title.

COLLATERAL REFERENCES

Am. Jur. 2d. — 63A Am. Jur. 2d Public Funds § 7 et seq.

C.J.S. — 81A C.J.S. States § 225.

Key Numbers. — States ⇌ 122, 124.

51-7-2. Exemptions from chapter.

The following funds are exempt from this chapter:

- (1) funds invested in accordance with the participating employees' designation or direction pursuant to a public employees' deferred compensation plan established and operated in compliance with Section 457 of the Internal Revenue Code of 1954, as amended;
- (2) funds of the Utah Worker's Compensation Fund;
- (3) funds of the Utah State Retirement Board;
- (4) funds of the Utah Technology Finance Corporation; and
- (5) funds of the Utah Housing Finance Agency.

History: C. 1953, 51-7-2, enacted by L. 1992, ch. 285, § 17.

Repeals and Reenactments. — Laws 1992, ch. 285, § 17 repeals former § 51-7-2, as last amended by L. 1984, ch. 44, § 2, setting out the

purpose of this chapter, and enacts the present section, effective April 27, 1992.

Federal Law. — The Internal Revenue Code, cited in Subsection (1), is Title 26 of the U.S. Code.

51-7-3. Definitions.

As used in this chapter:

- (1) "Certified dealer" means:
 - (a) a primary reporting dealer recognized by the Federal Reserve Bank of New York who meets the requirements for good standing established by council rule and is certified by the director as meeting quality criteria established by council rule; or
 - (b) a broker dealer who:
 - (i) has and maintains an office and a resident registered principal in the state;
 - (ii) meets the capital requirements established by council rules;
 - (iii) meets the requirements for good standing established by council rule; and
 - (iv) is certified by the director as meeting quality criteria established by council rule.
- (2) "Certified depository" means any out-of-state financial institution that is certified by the commissioner of Financial Institutions as meeting quality criteria established by rule of the council.
- (3) "Commissioner" means the commissioner of Financial Institutions.
- (4) "Council" means the State Money Management Council created by Section 51-7-16.
- (5) "Director" means the director of the Division of Securities of the Department of Commerce.
- (6) "First tier commercial paper" means commercial paper rated by at least two nationally recognized statistical rating organizations in the highest short-term rating category.
- (7) "Hard put" means an unconditional sell-back provision or a redemption provision applicable at issue to a note or bond, allowing holders to sell their holdings back to the issuer or to an equal or higher-rated third party provider at specific intervals and specific prices determined at the time of issuance.
- (8) "Market value" means market value as defined in the Master Repurchase Agreement.
- (9) "Master Repurchase Agreement" means the current standard Master Repurchase Agreement approved by the Public Securities Association or by any successor organization.
- (10) "Maximum amount" means, with respect to qualified depositories, the total amount of:
 - (a) deposits in excess of the federal deposit insurance limit; and
 - (b) nonqualifying repurchase agreements.
- (11) "Money market mutual fund" means an open-end managed investment fund:
 - (a) that complies with the diversification, quality, and maturity requirements of Rule 2a-7 or any successor rule of the Securities and Exchange Commission applicable to money market mutual funds; and
 - (b) that assesses no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated.

(12) "Nationally recognized statistical rating organization" means an organization that has been designated as a nationally recognized statistical rating organization by the Securities and Exchange Commission's Division of Market Regulation.

(13) "Nonqualifying repurchase agreement" means a repurchase agreement evidencing indebtedness of a qualified depository arising from the transfer of obligations of the United States Treasury or other authorized investments to public treasurers that is:

(a) evidenced by a safekeeping receipt issued by the qualified depository;

(b) included in the depository's maximum amount of public funds; and

(c) valued and maintained at market value plus an appropriate margin collateral requirement based upon the term of the agreement and the type of securities acquired.

(14) "Operating funds" means current balances and other funds that are to be disbursed for operation of the state government or any of its boards, commissions, institutions, departments, divisions, agencies, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body.

(15) "Permanent funds" means funds whose principal may not be expended, the earnings from which are to be used for purposes designated by law.

(16) "Public funds" means moneys, funds and accounts, regardless of the source, from which the monies, funds, and accounts are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body.

(17) (a) "Public moneys" means "public funds."

(b) "Public moneys," as used in Article VII, Sec. 15, Utah Constitution, means the same as "state funds."

(18) "Public treasurer" includes the state treasurer and the official of any state board, commission, institution, department, division, agency, or other similar instrumentality, or of any county, city, school district, political subdivision, or other public body who has the responsibility for the safekeeping and investment of any public funds.

(19) "Qualified depository" means a Utah depository institution as defined in Subsection 7-1-103(38) or a foreign depository institution as defined in Subsection 7-1-103(15) that is authorized to conduct business in this state under Section 7-1-702 or Title 7, Chapter 19, whose deposits are insured by an agency of the federal government and that has been certified by the commissioner of financial institutions as having met the requirements established under this chapter and the rules of the council to be eligible to receive deposits of public funds.

(20) "Qualifying repurchase agreement" means a repurchase agreement evidencing indebtedness of a financial institution or government securities dealer acting as principal arising from the transfer of obligations of the United States Treasury or other authorized investments to public treasurers only if purchased securities are:

(a) delivered to the public treasurer's safekeeping agent or custodian as contemplated by Section 7 of the Master Repurchase Agreement; and

(b) valued and maintained at market value plus an appropriate margin collateral requirement based upon the term of the agreement and the type of securities acquired.

(21) "State funds" means:

(a) public moneys raised by operation of law for the support and operation of the state government; and

(b) all other moneys, funds, and accounts, regardless of the source from which the moneys, funds, or accounts are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities.

History: L. 1974, ch. 27, § 3; 1984, ch. 44, § 3; 1986, ch. 1, § 35; 1989, ch. 66, § 2; 1989, ch. 267, § 46; 1990, ch. 93, § 17; 1990, ch. 229, § 1; 1992, ch. 285, § 18.

Amendment Notes. — The 1990 amendment by ch. 93, effective April 23, 1990, substituted "Department of Commerce" for "Department of Business Regulation" in Subsection (5).

The 1990 amendment by ch. 229, effective April 23, 1990, substituted "Commerce" for "Business Regulation" at the end of Subsection (5); inserted "or agreement" and added the exception in Subsection (9)(e); substituted "monies" for "state money and other" and substituted "the monies" for "state monies" in Subsection (13); and substituted "financial institution or government securities dealer" for "qual-

ified depository, a certified depository, or a certified dealer" in Subsection (16).

The 1992 amendment, effective April 27, 1992, added present Subsections (6) and (7), redesignated former Subsections (6) through (8) as present Subsections (8) through (10), rewrote former Subsection (9) and redesignated it as present Subsection (11), added present Subsection (12), redesignated former Subsections (10) through (13) as present Subsections (13) through (16), inserted "bureaus, laboratories," in Subsection (16), added present Subsection (17), redesignated former Subsections (14) through (16) as present Subsections (18) through (20), and rewrote former Subsection (17) and redesignated it as present Subsection (21).

51-7-4. Transfer of functions, powers, and duties relating to public funds to state treasurer — Exceptions — Deposit of income from investment of state money.

(1) Unless otherwise required by the Utah Constitution or applicable federal law, the functions, powers, and duties vested by law in each and every state officer, board, commission, institution, department, division, agency, and other similar instrumentalities relating to the deposit, investment, or reinvestment of public funds, and the purchase, sale, or exchange of any investments or securities of or for any funds or accounts under the control and management of these instrumentalities, are transferred to and shall be exercised by the state treasurer, except:

(a) funds assigned to the Utah State Retirement Board for investment under Section 49-1-302;

(b) funds of member institutions of the state system of higher education:

(i) acquired by gift, devise, or bequest, or by federal or private contract or grant;

(ii) derived from student fees or from income from operations of auxiliary enterprises, which fees and income are pledged or otherwise dedicated to the payment of interest and principal of bonds issued by such institutions; and

(iii) any other funds which are not included in the institution's work program as approved by the State Board of Regents;

(c) funds of the Utah Technology Finance Corporation;

(d) inmate funds as provided in Section 64-13-23 or in Title 64, Chapter 9b;

(e) trust funds established by judicial order and held by the judicial branch;

(f) funds of the Utah Workers' Compensation Fund; and

(g) funds of the Utah Housing Finance Agency.

(2) All public funds held or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, or similar instrumentalities and not transferred to the state treasurer as provided by this section shall be:

(a) deposited and invested by the custodian in accordance with this chapter, unless otherwise required by statute or by applicable federal law; and

(b) reported to the state treasurer in a form prescribed by the state treasurer.

(3) Unless otherwise provided by the constitution or laws of this state or by contractual obligation, the income derived from the investment of state money by the state treasurer shall be deposited in and become part of the General Fund.

History: L. 1974, ch. 27, § 4; 1979, ch. 177, § 1; 1984, ch. 44, § 4; 1985 (1st S.S.), ch. 4, § 2; 1985 (1st S.S.), ch. 5, § 2; 1988 (3rd S.S.), ch. 1, § 5; 1990, ch. 60, § 1; 1990, ch. 61, § 1; 1990, ch. 229, § 2.

Amendment Notes. — The 1990 amendment by ch. 60, effective March 1, 1990, inserted Subsection (1)(d) and made related changes.

The 1990 amendment by ch. 61, effective

March 1, 1990, added Subsections (1)(d) and (2) and made related changes.

The 1990 amendment by ch. 229, effective April 23, 1990, substituted "instrumentalities" for "instrumentality" in Subsection (1); added Subsection (1)(d) to (1)(g) and present Subsection (2); and redesignated former Subsection (2) as Subsection (3).

This section is set out as reconciled by the Office of Legislative Research and General Counsel.

51-7-5. Transfer of public funds not otherwise required to be transferred to state treasurer — Duties of public treasurers — Withdrawals of transferred funds.

Any public funds as to which the deposit, investment, or reinvestment is not transferred to the state treasurer by Section 51-7-4, may be transferred to the state treasurer by the public treasurer having responsibility for the control or management of these public funds. Notwithstanding the transfer, the public treasurer shall retain sufficient funds to cover the cash requirements of the body owning or having control or management of these funds and shall continue to be responsible for the proper collection, deposit, and disbursement of these funds in the manner provided by law. The public funds transferred or

placed under the control or supervision of the state treasurer under this section are subject to all applicable provisions of this chapter and are under the jurisdiction of the state treasurer until the public treasurer withdraws these public funds from the state treasurer. Withdrawals may be made from time to time on such reasonable notice as the state treasurer may prescribe. The public treasurer may withdraw all or any part of the public funds originally transferred to the state treasurer, subject to any rules as to the maximum amounts which may be withdrawn at any one time as the state treasurer may reasonably prescribe.

History: L. 1974, ch. 27, § 5; 1984, ch. 44, § 5.

Cross-References. — County tax stability and trust fund, § 17-4-15.

51-7-6. Calculation of shares of participating funds — Allocations of income to participating funds.

(1) The share of public funds of each participating public treasurer who has transferred public funds to the state treasurer for investment under Section 51-7-5, including trust funds invested by the state treasurer under this chapter, shall be calculated not less than quarterly.

(2) Income from investment of these public funds by the state treasurer, including gains or losses from the sale or exchange of investments or other properties, and net of investment fees and other charges assessed according to the schedule established by the state treasurer, shall be allocated to each participating fund on the ratio of each fund's share to the total public funds in the custody of the state treasurer determined on the basis of the average daily balance of each fund.

History: L. 1974, ch. 27, § 6; 1984, ch. 44, § 6; 1989, ch. 66, § 3.

51-7-7. Securities and evidence of deposits and investments — Custody — Deposit for safekeeping.

(1) (a) (i) The public treasurer shall have custody of all securities purchased or held and all evidence of deposits and investments of public funds.

(ii) All securities shall be delivered versus payment to the public treasurer or to the treasurer's safekeeping bank.

(b) The public treasurer may deposit any of these securities with a bank or trust company to be held in safekeeping by that custodian.

(c) The provisions of this section do not apply to securities acquired under a nonqualifying repurchase agreement as defined in Section 51-7-3.

(d) The provisions of this section apply to any book-entry-only security the ownership records of which are maintained with a securities depository, in the Federal Book Entry system authorized by the U.S. Department of Treasury, or in the book-entry records of the issuer, as follows:

(i) the direct ownership of the security by the public treasurer shall be reflected in the book-entry records and represented by a receipt, confirmation, or statement issued to the public treasurer by the custodian of the book-entry system; or

(ii) the ownership of the security by the public treasurer's custodial bank or trust company shall be reflected in the book-entry records and the public treasurer's ownership shall be represented by a receipt, confirmation, or statement issued by the custodial bank or trust company.

(2) The public treasurer may maintain accounts with money center banks only for the purposes of settling investment transactions, safekeeping, and collecting those investments.

History: L. 1974, ch. 27, § 7; 1984, ch. 44, § 7; 1989, ch. 66, § 4; 1990, ch. 229, § 3; 1992, ch. 285, § 19.

Amendment Notes. — The 1990 amendment, effective April 23, 1990, added Subsection (1)(d).

The 1992 amendment, effective April 27, 1992, redesignated former Subsection (1)(a) as Subsection (1)(a)(i) and added Subsection (1)(a)(ii).

51-7-8. Separate accounts for funds — Credit of allocated shares of income and gains or losses.

The state treasurer shall keep for each fund for which investments are made, a separate account, to be designated by name and number, which shall record the individual amounts and the totals of all investments belonging to the fund, and shall credit to each fund not less often than quarterly its allocated share of the income from the investments of pooled funds, and gains or losses from the sale or exchange of pooled investment assets.

History: L. 1974, ch. 27, § 8; 1984, ch. 44, § 8.

51-7-9. Quarterly reports by state treasurer — Audit of accounts of state treasurer — Report of audit — Employment of investment staff and services.

The state treasurer shall report not less often than quarterly to each participating state officer, board, commission, institution, department, division, agency, or other similar instrumentality, or political subdivision, the activities, investments, and performance of his office during the preceding period. The accounts of the state treasurer shall be audited annually under the direction of the state auditor. The report of this audit shall be open for inspection by the public in the offices of the state auditor and the state treasurer and a copy of it shall be submitted to the legislature through the Office of the Legislative Fiscal Analyst. The state treasurer is authorized, within the limits of available appropriations, to employ such investment staff and secure such financial, investment, and other technical services he considers necessary to properly carry out his responsibilities under this chapter.

History: L. 1974, ch. 27, § 9; 1984, ch. 44, § 9.

51-7-10. Public treasurers' records open for inspection.

All records of any public treasurer shall be open for inspection by the public in the office of such treasurer.

History: L. 1974, ch. 27, § 10.

51-7-11. Authorized deposits or investments of public funds.

(1) A public treasurer may conduct investment transactions only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

(2) The remaining term to maturity of the investment may not exceed the period of availability of the funds to be invested.

(3) All public funds, other than funds of the permanent land grant trust funds established pursuant to the Utah Enabling Act and the Utah Constitution, and funds of member institutions of the state system of higher education acquired by gift, devise, or bequest, may be deposited or invested only in the following assets that meet the criteria of Section 51-7-17:

- (a) negotiable or nonnegotiable deposits of qualified depositories;
- (b) qualifying or nonqualifying repurchase agreements and reverse repurchase agreements with qualified depositories using collateral consisting of:
 - (i) Government National Mortgage Association mortgage pools;
 - (ii) Federal Home Loan Mortgage Corporation mortgage pools;
 - (iii) Federal National Mortgage Corporation mortgage pools;
 - (iv) Small Business Administration loan pools;
 - (v) Federal Agriculture Mortgage Corporation pools; or
 - (vi) other investments authorized by this section;
- (c) qualifying repurchase agreements and reverse repurchase agreements with certified dealers, certified depositories, or qualified depositories using collateral consisting of:
 - (i) Government National Mortgage Association mortgage pools;
 - (ii) Federal Home Loan Mortgage Corporation mortgage pools;
 - (iii) Federal National Mortgage Corporation mortgage pools;
 - (iv) Small Business Administration loan pools; or
 - (v) other investments authorized by this section;
- (d) commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moodys Investor Services Inc. or Standard and Poor's Corporation, which has a remaining term to maturity of 270 days or less;
- (e) bankers' acceptances that:
 - (i) are eligible for discount at a Federal Reserve bank; and
 - (ii) have a remaining term to maturity of 270 days or less;
- (f) fixed rate negotiable deposits issued by a certified depository that have a remaining term to maturity of 365 days or less;
- (g) obligations of the United States Treasury, including United States Treasury bills, United States Treasury notes, and United States Treasury bonds;

(h) obligations other than mortgage pools and other mortgage derivative products issued by, or fully guaranteed as to principal and interest by, the following agencies or instrumentalities of the United States in which a market is made by a primary reporting government securities dealer:

- (i) Federal Farm Credit banks;
- (ii) Federal Home Loan banks;
- (iii) Federal National Mortgage Association;
- (iv) Student Loan Marketing Association;
- (v) Federal Home Loan Mortgage Corporation; and
- (vi) Federal Agriculture Mortgage Corporation;

(i) fixed rate corporate obligations that:

(i) are rated "A" or higher or the equivalent of "A" or higher by two nationally recognized statistical rating organizations, one of which must be by Moody's Investors Service, Inc. or Standard and Poor's Corporation;

(ii) are publicly traded; and

(iii) have a remaining term to final maturity of 365 days or less or is subject to a hard put at par value or better, within 365 days;

(j) tax anticipation notes and general obligation bonds of the state or of any county, incorporated city or town, school district, or other political subdivision of this state;

(k) bonds, notes, or other evidence of indebtedness of any county, incorporated city or town, school district, or other political subdivision of the state that are payable from assessments or from revenues or earnings specifically pledged for payment of the principal and interest on these obligations;

(l) shares or certificates in a money market mutual fund as defined in Section 51-7-3;

(m) variable rate negotiable deposits that:

(i) are issued by a qualified depository or a certified depository;

(ii) are repriced at least semiannually; and

(iii) have a remaining term to final maturity not to exceed two years;

(n) variable rate corporate obligations that:

(i) are rated "A" or higher or the equivalent of "A" or higher by two nationally recognized statistical rating organizations, one of which must be by Moody's Investors Service, Inc. or Standard and Poor's Corporation;

(ii) are publicly traded;

(iii) are repriced at least semiannually; and

(iv) have a remaining term to final maturity not to exceed two years or are subject to a hard put at par value or better, within 365 days;

(o) other fixed-rate obligations that:

(i) are issued by a qualified depository or a certified depository;

(ii) rank pari passu with uninsured and unsecured deposit obligations issued by the qualified depository or certified depository; and

(iii) have a remaining term to final maturity of 365 days or less or are subject to a hard put at par value or better, within 365 days; or

(p) other variable rate obligations that:

- (i) are issued by a qualified depository or a certified depository;
- (ii) rank *pari passu* with uninsured and unsecured deposit obligations issued by the qualified depository or certified depository;
- (iii) are repriced at least semiannually; and
- (iv) have a remaining term to final maturity not to exceed two years or are subject to a hard put at par value or better, within 365 days.

(4) If any of the deposits authorized by Subsection (3)(a) are negotiable or nonnegotiable large time deposits issued in amounts of \$100,000 or more, the interest shall be calculated on the basis of the actual number of days divided by 360 days.

(5) A public treasurer may maintain fully-insured deposits in demand accounts in a federally-insured nonqualified depository only if a qualified depository is not reasonably convenient to the entity's geographic location.

(6) The public treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date.

History: L. 1974, ch. 27, § 19; 1975, ch. 91, § 4; 1975 (1st S.S.), ch. 5, § 1; 1982, ch. 55, § 1; 1984, ch. 44, § 10; 1985 (1st S.S.), ch. 4, § 3; 1985 (1st S.S.), ch. 5, § 3; 1986, ch. 204, § 291; 1989, ch. 66, § 5; 1990, ch. 229, § 4; 1992, ch. 285, § 20.

Amendment Notes. — The 1990 amendment, effective April 23, 1990, substituted "fixed rate negotiable deposits issued by a certified depository" for "other negotiable deposits

of \$100,000 or more" in Subsection (3)(f); added "fixed rate" in Subsection (3)(i); inserted "notes" in Subsection (3)(j); and added Subsections (3)(m) to (3)(p).

The 1992 amendment, effective April 27, 1992, rewrote Subsection (3), added Subsection (5), and redesignated former Subsection (5) as Subsection (6).

Cross-References. — County tax stability and trust fund, § 17-4-15.

COLLATERAL REFERENCES

Am. Jur. 2d. — 63A Am. Jur. 2d Public Funds § 7 et seq.

C.J.S. — 26A C.J.S. Depositories § 8.

Key Numbers. — Deposits & Escrows ⇐ 31.

51-7-12. Deposit or investment of permanent land grant trust funds — Authorized deposits and investments — Asset manager — Investment Advisory Committee.

(1) The principal of the permanent land grant trust funds established pursuant to the Utah Enabling Act and the Utah Constitution shall be deposited or invested only in the following:

- (a) any deposit or investment authorized by Section 51-7-11;
- (b) equity securities, including common and preferred stock issued by corporations listed on a major securities exchange, in accordance with the following criteria applied at the time of investment:
 - (i) the treasurer may not invest more than 5%, determined on a cost basis, of the total fund assets in the securities of any one issuer;
 - (ii) the treasurer may not invest more than 25%, determined on a cost basis, of total fund assets in a particular industry;
 - (iii) the treasurer may not invest more than 5%, determined on a cost basis, of the total fund assets in securities of corporations that have been in continuous operation for less than three years;

(iv) the fund may not hold in excess of 5% of the outstanding voting securities of any one corporation; and

(v) at least 75% of the corporations in which investments are made under Subsection (b) must appear on the Standard and Poors 500 Composite Stock Price Index;

(c) fixed-income securities, including bonds, notes, mortgage securities, zero coupon securities and convertible securities issued by domestic corporations rated A or higher by Moody's Investor's Service, Inc. or by Standard and Poor's Corporation in accordance with the following criteria applied at the time of investment:

(i) the treasurer may not invest more than 5%, determined on a cost basis, of the total fund assets in the securities of any one issuer;

(ii) the treasurer may not invest more than 25%, determined on a cost basis, of the total fund assets in a particular industry;

(iii) the treasurer may not invest more than 5%, determined on a cost basis, of the total fund assets in securities of corporations that have been in continuous operation for less than three years; and

(iv) the dollar-weighted average maturity of fixed-income securities acquired under Subsection (c) may not exceed ten years;

(d) fixed-income securities issued by agencies of the United States and government-sponsored organizations, including mortgage-backed pass-through certificates and mortgage-backed bonds;

(e) shares of an open-end diversified management investment company established under the Investment Companies Act of 1940, the portfolio of which is limited to securities permitted by Subsections (a), (b), (c), and (d);

(f) shares of or deposits in a pooled-investment program, the portfolio of which is limited to securities permitted by Subsection (a), (b), (c), or (d).

(2) (a) No more than 65% of the total fund assets of any of these funds, on a cost basis, may be invested in common or preferred stocks at any one time.

(b) At least 35% of the total assets of these funds shall be invested in fixed-income securities authorized by Subsections 51-7-12(1)(c) and (d).

(3) The state treasurer shall use appropriate investment strategies to protect the principal of the funds administered under this section during periods of financial market volatility.

(4) (a) The state treasurer may employ professional asset managers to assist in the investment of assets of the permanent trust funds.

(b) The treasurer may provide compensation to asset managers from earnings generated by the funds' investments.

(5) This section applies only to permanent trust funds in which the principal is prudently invested and held by the state in perpetuity.

(6) (a) There is established an advisory committee to give suggestions, advice, and opinions to the state treasurer in regard to this section.

(b) The committee shall consist of the following:

(i) one member appointed by the president of the University of Utah;

(ii) one member appointed by the president of Utah State University;

(iii) one member appointed by the state superintendent of public instruction;

- (iv) one member appointed by the president of the Utah Education Association;
 - (v) one member appointed by the president of the Utah Parent Teachers Association; and
 - (vi) one member appointed by the director of the Department of Human Services.
- (c) The committee shall meet at least annually and review investment reports prepared by the state treasurer, including information on portfolio composition and investment performance.
- (d) Members of the committee shall serve without compensation.

History: L. 1974, ch. 27, § 20; 1980, ch. 50, § 1; 1984, ch. 44, § 11; 1985, ch. 242, § 50; 1988, ch. 169, § 27; 1992, ch. 25, § 1.

Amendment Notes. — The 1992 amendment, effective April 27, 1992, rewrote the section to such an extent that a detailed analysis is impracticable.

Federal Law. — The Investment Company

Act, cited in Subsection (1)(e), is primarily codified as 15 U.S.C. § 80a-1 et seq.

Cross-References. — Board of Indian Affairs, transfer of functions to Division of Indian Affairs, § 9-9-102.

Division of State Lands and Forestry, deposit and allocation of money received, § 65A-5-2.

51-7-13. Funds of member institutions of state system of higher education — Authorized deposits or investments — Release of restrictions on gifts.

(1) The provisions of this section apply to all funds of member institutions of the state system of higher education that are not transferred to the state treasurer by Section 51-7-4.

(2) (a) All funds acquired by gift, devise, or bequest or by federal or private grant shall be invested according to rules established by the council unless the terms of the gift or grant provide otherwise.

(b) Proceeds of general obligation bond issues and all funds pledged or otherwise dedicated to the payment of interest and principal of general obligation bonds issued by or for the benefit of the institution shall be invested according to the requirements of:

(i) Section 51-7-11 and the rules of the council; or

(ii) the terms of the borrowing instruments applicable to those bonds and funds if those terms are more restrictive than Section 51-7-11.

(c) (i) The public treasurer shall invest the proceeds of bonds other than general obligation bonds issued by or for the benefit of the institution and all funds pledged or otherwise dedicated to the payment of interest and principal of bonds other than general obligation bonds according to the terms of the borrowing instruments applicable to those bonds.

(ii) If no provisions governing investment of bond proceeds or pledged or dedicated funds are contained in the borrowing instruments applicable to those bonds or funds, the public treasurer shall comply with the requirements of Section 51-7-11 in investing those proceeds and funds.

(d) All other funds in the custody or control of any of those institutions shall be invested as provided in Section 51-7-11 and the rules of the council.

- (iv) one member appointed by the president of the Utah Education Association;
 - (v) one member appointed by the president of the Utah Parent Teachers Association; and
 - (vi) one member appointed by the director of the Department of Human Services.
- (c) The committee shall meet at least annually and review investment reports prepared by the state treasurer, including information on portfolio composition and investment performance.
- (d) Members of the committee shall serve without compensation.

History: L. 1974, ch. 27, § 20; 1980, ch. 50, § 1; 1984, ch. 44, § 11; 1985, ch. 242, § 50; 1988, ch. 169, § 27; 1992, ch. 25, § 1.

Amendment Notes. — The 1992 amendment, effective April 27, 1992, rewrote the section to such an extent that a detailed analysis is impracticable.

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51-7-13. Funds of member institutions of state system of higher education — Authorized deposits or investments — Release of restrictions on gifts.

(1) The provisions of this section apply to all funds of member institutions of the state system of higher education that are not transferred to the state treasurer by Section 51-7-4.

(2) (a) All funds acquired by gift, devise, or bequest or by federal or private grant shall be invested according to rules established by the council unless the terms of the gift or grant provide otherwise.

(b) Proceeds of general obligation bond issues and all funds pledged or otherwise dedicated to the payment of interest and principal of general obligation bonds issued by or for the benefit of the institution shall be invested according to the requirements of:

(i) Section 51-7-11 and the rules of the council; or

(ii) the terms of the borrowing instruments applicable to those bonds and funds if those terms are more restrictive than Section 51-7-11.

(c) (i) The public treasurer shall invest the proceeds of bonds other than general obligation bonds issued by or for the benefit of the institution and all funds pledged or otherwise dedicated to the payment of interest and principal of bonds other than general obligation bonds according to the terms of the borrowing instruments applicable to those bonds.

(ii) If no provisions governing investment of bond proceeds or pledged or dedicated funds are contained in the borrowing instruments applicable to those bonds or funds, the public treasurer shall comply with the requirements of Section 51-7-11 in investing those proceeds and funds.

(d) All other funds in the custody or control of any of those institutions shall be invested as provided in Section 51-7-11 and the rules of the council.

- (3) (a) Each institution shall make monthly reports detailing the deposit and investment of funds in its custody or control to its institutional council and the State Board of Regents.
- (b) The state auditor shall conduct or cause to be conducted an annual audit of the investment program of each institution.
- (c) The State Board of Regents shall:
- (i) require whatever internal controls and supervision are necessary to ensure the appropriate safekeeping, investment, and accounting for all funds of these institutions; and
 - (ii) submit annually to the governor and the Legislature a summary report of all investments by institutions under its jurisdiction.
- (4) (a) The State Board of Regents may release, in whole or in part, a restriction imposed by the applicable gift instrument on the investment of a fund held by a member institution by obtaining the written consent of the donor.
- (b) (i) If written consent of the donor cannot be obtained because the donor is dead, disabled, unavailable, or cannot be identified, the State Board of Regents may apply in the name of the institution to the district court of the district in which the institution is located for a release from the restriction.
- (ii) If, after notice and opportunity to be heard, the court finds that the restriction is obsolete, inappropriate, or impracticable, it may by order release the restriction in whole or in part.

History: L. 1974, ch. 27, § 21; 1975, ch. 91, § 5; 1984, ch. 44, § 12; 1989, ch. 22, § 29; 1989, ch. 66, § 6.

51-7-14. Prudent man rule for management of investments — Sale of security or investment for less than cost.

(1) Selection of investments as authorized by Sections 51-7-11, 51-7-12, and 51-7-13 shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital, as well as the probable benefits to be derived and the probable duration for which such investment may be made, and considering the investment objectives specified in Section 51-7-17.

(2) A public treasurer may sell or otherwise dispose of at less than cost any security or investment in which public funds under his jurisdiction have been invested if such sale or other disposition tends to maximize the benefits that may be derived from such changed investment.

History: L. 1974, ch. 27, § 22; 1984, ch. 44, § 13.

51-7-15. Bonds of state treasurer and other public treasurers — Reports to council.

- (1) (a) The state treasurer, county, city, and town treasurers, the clerk or treasurer of each school district, and any other public treasurers that the council designates by rule shall be bonded in an amount of not less than that established by the council.
 (b) The council shall base the minimum bond amount on the amount of public funds normally in the treasurer's possession or control.
- (2) (a) When a public treasurer deposits or invests public funds as authorized by this chapter, he and his bondsmen are not liable for any loss of public funds invested or deposited unless the loss is caused by the malfeasance of the treasurer or of any member of his staff.
 (b) A public treasurer and his bondsmen are liable for any loss for any reason from deposits or investments not made in conformity with this chapter and the rules of the council.
- (3) (a) Each public treasurer shall file a written report with the council on or before January 31 and July 31 of each year.
 (b) The report shall contain:
 - (i) the information about the deposits and investments of that treasurer during the preceding six months ending December 31 and June 30, respectively, that the council requires by rule; and
 - (ii) information detailing the nature and extent of interest rate contracts permitted by Subsection 51-7-17(2).
 (c) The public treasurer shall make copies of the report available to the public at his offices during normal business hours.

History: L. 1974, ch. 27, § 23; 1983, ch. 333, § 1; 1984, ch. 44, § 14; 1989, ch. 66, § 7; 1992, ch. 285, § 21.

Amendment Notes. — The 1992 amend-

ment, effective April 27, 1992, added the colon at the end of the introductory language of Subsection (3)(b), added the Subsection (3)(b)(i) designation, and added Subsection (3)(b)(ii).

51-7-16. State Money Management Council — Members — Terms — Vacancies — Chairman and vice-chairman — Executive secretary — Meetings — Quorum — Members' disclosure of interests — Per diem and travel expenses.

- (1) (a) There is created a State Money Management Council composed of five members appointed by the governor after consultation with the state treasurer and with the advice and consent of the Senate.
 (b) The members of the council shall be qualified by training and experience in the field of investment or finance as follows:
 - (i) one member shall be experienced in the banking business;
 - (ii) one member shall be experienced in the savings and loan business;
 - (iii) one member shall be an elected treasurer;
 - (iv) one member shall be an appointed public treasurer; and
 - (v) one member shall be experienced in the field of investment.
 (c) No more than three members of the council may be from the same political party.

- (2) (a) The council members shall be appointed for terms of four years.
(b) The governor shall fill any vacancies in the membership of the council occurring other than by expiration of term by appointing a person to fill the unexpired term.
(c) All members shall serve until their successors are appointed and qualified.
- (3) (a) The council members shall elect a chairman and vice-chairman.
(b) The state treasurer shall serve as executive secretary of the council without vote.
- (4) (a) The council shall meet at least once per quarter at a regular date to be fixed by the council and at other times at the call of the chairman, the state treasurer, or any two members of the council.
(b) Three members are a quorum for the transaction of business.
(c) Actions of the council require a vote of a majority of those present.
(d) All meetings of the council and records of its proceedings are open for inspection by the public at the state treasurer's office during regular business hours except for:
 - (i) reports of the commissioner of financial institutions concerning the identity, liquidity, or financial condition of qualified depositories and the amount of public funds each is eligible to hold; and
 - (ii) reports of the director concerning the identity, liquidity, or financial condition of certified dealers.
- (5) (a) Each member of the council shall file a sworn or written statement with the lieutenant governor that discloses any position or employment or ownership interest that he has in any financial institution or investment organization.
(b) Each member shall file the statement required by this subsection when he becomes a member of the council and when substantial changes in his position, employment, or ownership interests occur.
- (6) The members of the council may not receive a salary but shall be paid a per diem for each day actually spent in the performance of their duties, and travel expenses, as established by the Division of Finance.

History: L. 1974, ch. 27, § 24; 1983, ch. 320, § 18; 1984, ch. 44, § 15; 1984, ch. 67, § 20; 1985, ch. 135, § 1; 1989, ch. 66, § 8.

51-7-17. Criteria for investments.

- (1) (a) All public treasurers shall consider and meet the following objectives when depositing and investing public funds:
 - (i) safety of principal;
 - (ii) need for liquidity;
 - (iii) yield on investments;
 - (iv) recognition of the different investment objectives of operating and permanent funds; and
 - (v) maturity of investments, so that the maturity date of the investment does not exceed the anticipated date of the expenditure of funds.
- (b) Each public treasurer shall invest the proceeds of general obligation bond issues, tax anticipation note issues, and all funds pledged or otherwise dedicated to the payment of interest and principal of general

obligation bonds and tax anticipation notes issued by the state or any political subdivision of the state in accordance with Section 51-7-11 or in accordance with the terms of the borrowing instrument applicable to those issues and funds if those terms are more restrictive than Section 51-7-11.

(c) Each public treasurer shall invest the proceeds of bonds other than general obligation bonds and the proceeds of notes other than tax anticipation notes issued by the state or any political subdivision of the state, and all funds pledged or otherwise dedicated to the payment of interest and principal of those notes and bonds, in accordance with the terms of the borrowing instruments applicable to those bonds or notes, or if none of those provisions are applicable, in accordance with Section 51-7-11.

(2) (a) As used in this Subsection (2), "interest rate contract" means interest rate exchange contracts, interest rate floor contracts, interest rate ceiling contracts, and other similar contracts authorized by resolution of the governing board or issuing authority, as applicable.

(b) A public treasurer may:

(i) enter into interest rate contracts that the governing board or issuing authority determines are necessary, convenient, or appropriate for the control or management of debt or for the cost of servicing debt; and

(ii) use its public funds to satisfy its payment obligations under those contracts.

(c) Those contracts:

(i) shall comply with the requirements established by council rules; and

(ii) may contain payment, security, default, termination, remedy, and other terms and conditions that the governing board or issuing authority considers appropriate.

(d) Neither interest rate contracts nor public funds used in connection with these interest rate contracts may be considered a deposit or investment.

(3) It is the intent of the Legislature that all public funds invested in deposit instruments be invested with qualified depositories within Utah, except that if national market rates on instruments of similar quality and term exceed those offered by qualified depositories, investments in out-of-state deposit instruments may be made only with those institutions that meet quality criteria set forth by the rules of the council.

History: L. 1974, ch. 27, § 25; 1984, ch. 44, § 16; 1989, ch. 66, § 9; 1992, ch. 285, § 22.
Amendment Notes. — The 1992 amend-

ment, effective April 27, 1992, added Subsection (2), and redesignated former Subsection (2) as Subsection (3).

51-7-18. Duties of council.

(1) The council shall:

(a) advise the state treasurer and other public treasurers about investment policies;

(b) cooperate with the commissioner of Financial Institutions by promoting measures and rules that will assist in strengthening the banking and credit structure of the state;

(c) at least annually, review the rules adopted under the authority of this chapter that relate to the deposit and investment of public funds;

(d) at least annually, distribute the rules and amendments to rules adopted under the authority of this chapter that relate to the deposit and investment of public funds to all public treasurers;

(e) provide, at least semiannually, a list of certified depositories that meet the criteria for investment established by council rules; and

(f) provide, at least semiannually, a list of certified dealers that meet criteria established by this chapter and council rules.

(2) The council may:

(a) recommend proposed changes in statutes governing the deposit and investment of public funds to the Legislature;

(b) make rules governing:

(i) the financial reporting requirements of qualified depositories in which public funds may be deposited;

(ii) the conditions and procedures for maintaining and revoking a financial institution's designation as a qualified depository;

(iii) the definition of depository capital;

(iv) the conditions and procedures for maintaining and revoking a financial institution's designation as a certified depository;

(v) the conditions and procedures for maintaining and revoking a primary reporting dealer's or a broker dealer's designation as a certified dealer;

(vi) the conditions and procedures by which public treasurers may deposit and invest public funds;

(vii) quality criteria for corporate obligations;

(viii) the conditions and procedures by which public entities may use interest rate contracts authorized by Subsection 51-7-17(2); and

(ix) other rules necessary to carry out its functions, powers, duties, and responsibilities under this chapter.

(3) The council may not make rules requiring a qualified depository to pledge or deposit any of its assets in order to secure a deposit of public funds, except that public deposits in excess of the maximum amount shall be collateralized as provided in Subsections 51-7-18.1(5)(b) and (6).

(4) Subject to legislative funding, the state treasurer shall supply qualified staff to the council.

(5) If any rule or act of the council would constitute an infringement upon the state treasurer's constitutional duties and powers to have custody of and invest public money, the conflicting rule or act is advisory and not mandatory.

History: C. 1953, 51-7-18, enacted by L. 1989, ch. 66, § 10; 1992, ch. 285, § 23.

Repeals and Reenactments. — Laws 1989, ch. 66, § 10 repeals former § 51-7-18, as last amended by Laws 1984, ch. 44, § 17, concerning the functions, powers, duties, and responsibilities of the State Money Management Council, and enacts the present section, effective April 24, 1989. Provisions similar to former

Subsections (1)(e) and (g) now appear as §§ 51-7-18.1 and 51-7-18.2, respectively.

Amendment Notes. — The 1992 amendment, effective April 27, 1992, added Subsection (2)(b)(viii), redesignated former Subsection (2)(b)(viii) as Subsection (2)(b)(ix), and substituted "public money" for "state money" in Subsection (5).

Cross-References. — Commissioner of Financial Institutions, § 7-1-202.

51-7-18.1. Qualified depositories list — Reports — Treatment of confidential information — Powers — Staff — Limits on powers.

- (1) (a) The council shall provide a list of qualified depositories to each public treasurer at least semiannually.
 - (b) The list shall include:
 - (i) the name of each qualified depository; and
 - (ii) the maximum amount of public funds that each qualified depository is eligible to hold.
- (2) In determining the maximum amount of public deposits for a qualified depository, the council may not designate a maximum amount for any qualified depository that is more than twice that depository's capital as defined by council rule.
- (3) (a) The council may require each qualified depository to submit monthly reports to the commissioner of Financial Institutions disclosing the amount of public funds held by the depository at the close of business on a day designated by the council.
 - (b) The council may also require the qualified depository to include in the report:
 - (i) information about the character and condition of the qualified depository's assets;
 - (ii) information about the qualified depository's deposits and other liabilities;
 - (iii) information about the qualified depository's capital; and
 - (iv) any other information that the council considers necessary in order for it to fulfill its responsibilities under this chapter.
 - (c) The council shall require that any reports submitted be verified by the oath or affirmation of the president or vice-president of the qualified depository.
 - (d) Any officer of a qualified depository who knowingly makes or causes to be made any false statement or report to the council or any false entry in the books or accounts of the qualified depository is guilty of a class A misdemeanor.
- (4) (a) Notwithstanding Section 7-1-802, the commissioner may disclose necessary information about the condition of any qualified depository to the council to assist it in evaluating the eligibility of any qualified depository to receive and hold public funds.
 - (b) If the secretary of the council or any member of the council discloses confidential information obtained from the commissioner under this subsection, he is guilty of a class A misdemeanor.
 - (c) If any member of the council discloses confidential information obtained from the commissioner under this subsection, the governor shall remove him from his position.
- (5) Upon the vote of at least three of the council members, the commissioner shall require any qualified depository to:
 - (a) surrender deposits of public funds that exceed the amount that the qualified depository may legally hold under authority of this chapter and council rule; or
 - (b) pledge collateral security for those excess deposits.

- (6) (a) If the commissioner orders the qualified depository to pledge collateral security for the excess deposits, the collateral security pledged shall have a market value determined upon the last day of the month of:

(i) 110% of the amount of the excess deposits, if the collateral consists of obligations of or fully guaranteed by the United States or its agencies as to principal and interest, a segregated earmarked deposit account, or notes, drafts, bills of exchange, or bankers' acceptances that are eligible for rediscount or purchase by a federal reserve bank;

(ii) 120% of the amount of the excess deposits, if the collateral consists of obligations of the state of Utah or any of its political subdivisions; and

(iii) 130% of the amount of the excess deposits, if the collateral consists of obligations of other readily marketable bonds, notes, or debentures.

(b) The qualified depository shall deposit any collateral pledged to secure excess deposits with the state treasurer.

(c) The state treasurer may not release the collateral until he has received written confirmation from the commissioner that the qualified depository:

(i) has relinquished the excess deposits; or

(ii) is in compliance with this chapter and council rules.

(7) Any qualified depository that fails to comply with a written order issued by the commissioner under authority of this section within 15 days of receipt of the order is ineligible to receive or renew any deposits or investments of public funds until it receives written authorization to do so from the council.

(8) In addition to the requirements set forth by rule, in order to be certified as a qualified depository as defined in Section 51-7-3, a depository institution shall pay to the commissioner an annual certification fee of \$250 due April 1 of each year.

History: C. 1953, 51-7-18.1, enacted by L. 1989, ch. 66, § 11; 1990, ch. 229, § 5.

Amendment Notes. — The 1990 amendment, effective April 23, 1990, added Subsection (8).

Effective Dates. — Laws 1989, ch. 66 became effective on April 24, 1989, pursuant to Utah Const., Art. VI, Sec. 25.

Cross-References. — Sentencing for misdemeanors, §§ 76-3-201, 76-3-204, 76-3-301.

51-7-18.2. Public treasurer's reports — Contents.

- (1) The council may:

(a) require any public treasurer to prepare and file with it a written report in a form prescribed by the council containing the information required by this section; and

(b) specify that the report will contain the information required by this section for any date.

- (2) The council shall require the report to include information:

(a) specifying the amount of public funds in the public treasurer's possession or control;

(b) detailing the nature and extent of the deposit and investment of those funds;

(c) detailing the rate of return on each deposit or investment; and

(d) detailing the nature and extent of interest rate contracts authorized by Subsection 51-7-17(2).

(3) The public treasurer shall file the report with the council within ten days after he receives the council's request.

(4) Each public treasurer shall make copies of any reports required by this section available for inspection by the public at his office during normal business hours.

History: C. 1953, 51-7-18.2, enacted by L. 1989, ch. 66, § 12; 1992, ch. 285, § 24.

Amendment Notes. — The 1992 amend-

ment, effective April 27, 1992, added Subsection (2)(d).

51-7-18.3. Certified dealers list — Fees.

(1) (a) The council shall provide a list of certified dealers to each public treasurer at least semiannually.

(b) The list of certified dealers shall include:

(i) the name of each certified dealer; and

(ii) the name of each agent authorized by the certified dealer to conduct investment transactions with the public treasurers.

(2) In addition to the requirements set forth by rule, in order to become a certified dealer as defined in Section 51-7-3, a dealer shall pay to the director an annual certification fee of \$500 due May 30 of each year.

History: C. 1953, 51-7-18.3, enacted by L. 1990, ch. 229, § 6.

Effective Dates. — Laws 1990, ch. 229 be-

came effective on April 23, 1990, pursuant to Utah Const., Art. VI, Sec. 25.

51-7-19. Increase in deposits of public funds — Authorization.

(1) The commissioner of financial institutions may, with the approval of the council:

(a) increase for a period not to exceed 90 days the amount of public funds any qualified depository may hold whenever additional deposit resources are required in connection with the flotation, conversion, or redemption of a bond issue, for initial deposits of tax collections or newly received federal moneys; and

(b) authorize a qualified depository to hold deposits of public funds in excess of the maximum to which the depository would otherwise be entitled to hold under the rules of the council, if the council finds that such excess deposits are necessary or advisable to promote the economic welfare of the area in which the depository is located.

(2) Any increase in deposits of public funds authorized by the commissioner under Subsections (1)(a) or (1)(b) shall be secured by a pledge of collateral as prescribed in Subsection 51-7-18.1(5)(b) to the extent that such increased deposit exceeds the then current maximum for insurance of accounts by the applicable federal deposit insuring agency.

History: L. 1974, ch. 27, § 27; 1984, ch. 44, § 18; 1992, ch. 30, § 92.

Amendment Notes. — The 1992 amend-

ment, effective April 27, 1992, substituted "51-7-18.1(5)(b)" for "51-7-18(1)(e)(v)" in Subsection (2).

51-7-20, 51-7-21. Repealed.

Repeals. — Section 51-7-20 (L. 1974, ch. 27, § 28), relating to disclosure of information on the condition of financial institutions by public officials, was repealed by Laws 1984, ch. 44, § 22.

Laws 1989, ch. 66, § 15 repealed § 51-7-21, as last amended by Laws 1984, ch. 44, § 19, concerning the applicability of certain laws governing investments, effective April 24, 1989.

51-7-22. Penalty for violation by public treasurer.

(1) Any public treasurer who willfully violates the deposit and investment provisions of this chapter is guilty of a class A misdemeanor.

(2) Any public treasurer who knowingly makes or causes to be made a false statement or report to the council is guilty of a class A misdemeanor.

History: C. 1953, 51-7-22, enacted by L. 1984, ch. 44, § 20; 1989, ch. 66, § 13.

Cross-References. — Sentencing for misdemeanors, §§ 76-3-201, 76-3-204, 76-3-301.

51-7-23. Investments previously authorized allowed until liquidated.

Any investment held by a public treasurer that as of January 1, 1989, was previously authorized, but no longer qualifies under this chapter, is considered an authorized investment until it matures or is sold.

History: C. 1953, 51-7-23, enacted by L. 1984, ch. 44, § 21; 1989, ch. 66, § 14.