Introduced: 1/14/77
Referred: Finance

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

IN THE HOUSE

SCS HOUSE BILL NO. 61

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the collection and deposit of public funds by the Department of Revenue."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 37.10.075(b) is amended to read:

(b) The commissioner of revenue may require the banks in which state funds are deposited under a time deposit agreement to [SHALL] pay at least a minimum interest rate to be fixed by the Department of Revenue, and this interest when paid shall be deposited in the general fund or in the other funds which are established by law.

* Sec. 2. AS 37.10.075(d) is amended to read:

(d) The Department of Revenue may deposit funds in banks inside or outside the state [IN ACTIVE ACCOUNTS OR ON DEMAND DEPOSITS] without requiring those banks in which the funds [ACCOUNTS] are deposited to pay interest on the deposits. It is the intention of the legislature that the department may [SHALL KEEP ACTIVE DEPOSITS IN ANY BANK IT CONSIDERS DESERVING, AND THAT, TO PARTIALLY] compensate the banks for clearing [CASHING] state warrants in a manner determined by the commissioner of revenue to be in the best interests of the state [THEIR REGULAR COURSE OF BUSINESS, NO INTEREST SHALL BE PAID ON THE DEPOSITS].

* Sec. 3. AS 43.05.100(a) is repealed.

* Sec. 4. AS 43.05.150(a) is amended to read:

(a) The Department of Revenue shall demand, sue for, collect, receive, and safely keep all money of the state which is not by law

entrusted to the care and custody of some other office. [WHEN THESE FUNDS ARE DEPOSITED IN FINANCIAL INSTITUTIONS IN THE STATE, UNDER AS 37.10.075, THE DEPARTMENT SHALL DEPOSIT THEM IN INSTITUTIONS NEAREST THE PLACE WHERE THE FUNDS ARE COLLECTED.]