CHAPTER 240

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GOVERNMENT - STATE

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HOUSE BILL 93-1003

BY REPRESENTATIVES Kerns, Anderson, Ratterree, Thiebaut, and Pfiffner;
also SENATORS Bishop, Gallagher, Martinez, and Norton.

AN ACT

CONCERNING PROCEDURES TO BE FOLLOWED BY THE STATE TREASURER'S OFFICE.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 24-36-103 (4), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-36-103. All state moneys to be transmitted to department. (4) The treasury department shall issue a receipt in triplicate BE THE TRANSACTION-APPROVING AUTHORITY for all moneys transmitted to and received by it. one copy to be delivered to the person transmitting the same, one copy to be furnished to the division of accounts and control, and One copy OF THE TRANSACTION SHALL to be retained in the files of the department.

SECTION 2. 24-36-106 (3), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-36-106. Record of warrants - order of payment - paid warrants - validation. (3) All paid warrants shall be cancelled and, retained for a period of one year after being microfilmed OR COPIED THROUGH IMAGE TECHNOLOGY SUCH AS OPTICAL STORAGE AND OTHER RECOGNIZED STATE-OF-THE-ART STORAGE TECHNOLOGIES, upon the expiration of which period they shall be destroyed pursuant to part 1 of article 80 of this title. The treasury department is authorized to enter into an arrangement which allows any bank holding cancelled warrants to microfilm OR COPY THROUGH OTHER RECOGNIZED STATE-OF-THE-ART STORAGE TECHNOLOGIES and TO store said warrants for the benefit and use of the treasury department, but no bank shall destroy any cancelled warrant without written authorization from the treasury

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department.   Any bank producing microfilm OR USING OTHER RECOGNIZED STATE-OF-THE-ART STORAGE TECHNOLOGIES pursuant to this subsection (3) shall transmit such microfilm OR THE PRODUCT OF SUCH OTHER RECOGNIZED STATE-OF-THE-ART STORAGE TECHNOLOGIES to the treasury department, where it shall be kept and stored. The treasury department is not authorized to enter into such an arrangement if the cost of the service charged by the bank exceeds the cost which the state would incur by providing the same service.

SECTION 3. 24-75-207 (1), Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-75-207. Definition. As used in sections 24-75-206 to 24-75-210, unless the context otherwise requires:

(1) "Noninterest bearing general ~~revenue~~ fund warrants" means any warrant issued against THE general ~~revenue funds~~ FUND at a time when moneys accruing to the ~~funds~~ FUND have not been received ~~and~~ OR credited to the general ~~revenue funds~~ FUND.

SECTION 4. 24-75-208, Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-75-208. Investment of treasury funds. ~~(1)~~ It is lawful for the state treasurer and it is ~~his~~ THE STATE TREASURER'S duty, ~~so to do,~~ whenever ~~he has~~ THERE ARE funds on hand or in ~~his~~ THE STATE TREASURER'S custody or possession eligible for investment, to invest in noninterest bearing general ~~revenue~~ fund warrants issued against THE general ~~revenue funds~~ FUND at a time when moneys accruing to the ~~funds~~ FUND have not been received ~~and~~ OR credited to the general ~~revenue funds~~ FUND, but such warrants shall be drawn pursuant to appropriation made by the general assembly, and the controller shall first ~~certify:~~

~~(a) That the general revenue funds have sufficient moneys accruing to them in the same fiscal year to pay and retire such warrants in the custody of the state treasurer; and~~

~~(b) That~~ CERTIFY THAT appropriations do not exceed estimated general fund revenues and surplus.

SECTION 5. 24-75-209, Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-75-209. Payment of general fund warrants. The state treasurer shall pay ~~and retire~~ such noninterest bearing general ~~revenue~~ fund warrants ~~in the same order as the warrants were purchased for investment and shall make such repayments within the same fiscal year~~ PURSUANT TO SECTION 24-36-106 (2).

SECTION 6. 24-75-210, Colorado Revised Statutes, 1988 Repl. Vol., is amended to read:

24-75-210. Reports to governor. ~~On or before the fifth day of each month,~~ The state treasurer shall report to the governor and to members of the general assembly the ~~total amount of general revenue fund warrants purchased and unpaid in his~~

custody GENERAL FUND CASH BALANCE as of the last day of the preceding month and the total amount of general revenue funds on hand to pay and retire such warrants AS PART OF THE TREASURER'S QUARTERLY REPORT REQUIRED BY SECTION 24-22-107 (1).

SECTION 7. 24-75-601.1 (1) (k) (II), the introductory portion to 24-75-601.1 (1) (k) (III), and 24-75-601.1 (1) (k) (III) (C), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended, and the said 24-75-601.1 (1) (k) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

24-75-601.1. Legal investments of public funds. (1) It is lawful to invest public funds in any of the following securities if the period from the date of purchase of such security to its maturity date is five years or less or if the governing body of the public entity authorizes investment for such period in excess of five years:

(k) Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940", as amended, if, at the time the investing public entity invests in such fund:

(II) No sales or load fee is added to the purchase price or deducted from the redemption price of the investments in the fund; and

(III) The investments of the fund consist only of securities with a maximum REMAINING maturity of one year or less and an average maturity of one hundred twenty days or less AS SPECIFIED IN RULE 2a-7 UNDER THE FEDERAL "INVESTMENT COMPANY ACT OF 1940", AS AMENDED, OR ANY SUCCESSOR REGULATION UNDER SUCH ACT REGULATING MONEY MARKET FUNDS, SO LONG AS SUCH RULE 2a-7 IS NOT AMENDED TO, OR SUCH SUCCESSOR REGULATION DOES NOT, INCREASE THE MAXIMUM REMAINING MATURITY OF SUCH SECURITIES TO A PERIOD WHICH IS GREATER THAN THREE YEARS, which SECURITIES are one of the following:

(C) Any securities not listed in paragraphs (a) to (j) of this subsection (1) the interest on which is not includable in gross income for federal income tax purposes if such securities do not exceed fifteen percent of the investments of the fund, based on the purchase price of all securities held by the fund; AND

(IV) THE DOLLAR-WEIGHTED AVERAGE PORTFOLIO MATURITY OF THE FUND MEETS THE REQUIREMENTS SPECIFIED IN RULE 2a-7 UNDER THE FEDERAL "INVESTMENT COMPANY ACT OF 1940", AS AMENDED, OR ANY SUCCESSOR REGULATION UNDER SUCH ACT REGULATING MONEY MARKET FUNDS, SO LONG AS SUCH RULE 2a-7 IS NOT AMENDED TO INCREASE THE DOLLAR-WEIGHTED AVERAGE PORTFOLIO MATURITY OF A FUND TO A PERIOD GREATER THAN ONE HUNDRED EIGHTY DAYS.

SECTION 8. 24-36-104, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

24-36-104. Moneys to be deposited. (2.5) NOTWITHSTANDING THE PROVISIONS OF SECTION 11-10.5-111, C.R.S., AND SECTION 24-75-202, AT THE DISCRETION OF THE STATE TREASURER AND THE STATE CONTROLLER, STATE MONEYS MAY BE DEPOSITED IN BANK ACCOUNTS IN OTHER STATES AND IN FOREIGN COUNTRIES TO ENABLE A STATE AGENCY OR INSTITUTION, INCLUDING INSTITUTIONS OF HIGHER EDUCATION, TO OPERATE PROJECTS LOCATED IN OTHER STATES AND FOREIGN COUNTRIES. SUCH STATE

AGENCIES AND INSTITUTIONS, INCLUDING INSTITUTIONS OF HIGHER EDUCATION, SHALL EXERCISE DUE REGARD AND HAVE FULL RESPONSIBILITY FOR THE SAFETY OF DEPOSITS UNDER THIS ARTICLE, AND THE STATE SHALL NOT ASSUME LIABILITY FOR ANY RISK, CASUALTY, OR LOSS OF SUCH DEPOSITS.

SECTION 9. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 6, 1993