

STATE TREASURER AMENDMENTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Joseph G. Murray

AN ACT RELATING TO THE STATE TREASURER; ELIMINATING OBSOLETE REQUIREMENTS; CLARIFYING THE STATE TREASURER'S RESPONSIBILITIES; AND MAKING TECHNICAL CORRECTIONS.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

- 67-4-1**, as last amended by Chapter 12, Laws of Utah 1994
- 67-4-2**, as last amended by Chapter 195, Laws of Utah 1991
- 67-4-10**, as last amended by Chapter 27, Laws of Utah 1974
- 67-4-11**, as last amended by Chapter 320, Laws of Utah 1983
- 67-4-16**, as enacted by Chapter 170, Laws of Utah 1988

REPEALS:

- 67-4-4**, as last amended by Chapter 170, Laws of Utah 1963
- 67-4-5**, Utah Code Annotated 1953
- 67-4-6**, Utah Code Annotated 1953
- 67-4-7**, as last amended by Chapter 320, Laws of Utah 1983
- 67-4-8**, Utah Code Annotated 1953
- 67-4-9**, Utah Code Annotated 1953
- 67-4-12**, as last amended by Chapter 320, Laws of Utah 1983
- 67-4-13**, as last amended by Chapter 67, Laws of Utah 1984
- 67-4-14**, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **67-4-1** is amended to read:

67-4-1. Duties.

[It is the duty of the]

(1) The state treasurer shall:

~~[(1) To] (a) receive and [keep all moneys belonging to the state and not required to be received and kept by some other person.]~~ maintain custody of all state funds;

~~(b) unless otherwise provided by law, invest all funds delivered into the state treasurer's custody according to the procedures and requirements of Title 51, Chapter 7, State Money Management Act;~~

~~[(2) To file and keep the certificates of the state auditor delivered to him when moneys are paid into the treasury.]~~

~~[(3) To deliver to each person paying money into the treasury a receipt, and to the state auditor a duplicate thereof, showing the amount, the sources from which the money accrued and the fund into which it is paid, which receipts must be numbered in order, beginning with number 1 at the commencement of each fiscal year; provided, where moneys are received from a county treasurer the state treasurer shall issue a receipt therefor in triplicate, one for the county treasurer, one for the county auditor, and the other for the state auditor.]~~

~~[(4) To] (c) pay warrants drawn by the [state auditor out of the proper funds and in the order in which] Division of Finance as they are presented[-];~~

~~[(5) Upon payment of any warrant, to take, upon the back thereof, the receipt of the person to whom it is paid, to cancel it with a proper stamp, file such warrant with the state auditor on the last day of each month, and take his receipt therefor.]~~

~~(d) return each redeemed warrant to the Division of Finance for purposes of reconciliation, post-audit, and verification;~~

~~(e) ensure that state warrants not presented to the state treasurer for payment within one year from the date of issue, or a shorter period if required by federal regulation or contract, are canceled and credited to the proper fund;~~

~~[(6) To keep an] (f) account [of] for all moneys received and disbursed[-];~~

~~[(7) To] (g) keep separate account of the different funds[-];~~

~~[(8) To report to the state auditor on the last day of each month the amount disbursed for the redemption of bonds and in payment of warrants during the month, which reports must show the date and number of such bonds and warrants, the funds out of which they were paid, and the balance of~~

cash on hand in the treasury to the credit of each fund.]

~~[(9) On the 1st day of January preceding the annual session of the Legislature, to report to the governor the exact balance in the treasury to the credit of the state, with a summary of the receipts and payments of the treasury during the two preceding fiscal years; and to make a semiannual report to the governor of all moneys received from all sources, and of all moneys disbursed.]~~

(h) keep safe all bonds, warrants, and securities delivered into his custody;

~~[(10) At]~~ (i) at the request of either house of the Legislature, or of any legislative committee ~~[thereof, to],~~ give information in writing as to the condition of the treasury, or upon any subject relating to the duties of his office~~[-];~~

(j) keep the books open at all times for the inspection by the governor, the state auditor, or any member of the Legislature, or any committee appointed to examine them by either house of the Legislature;

~~[(11) To]~~ (k) authenticate [with his official seal all writings and papers issued from his office.] and validate documents when necessary;

(l) adopt a seal and file a description and an impression of it with the Division of Archives; and

~~[(12) To]~~ (m) discharge the duties of a member of all official boards of which he is or may be made a member by the Constitution or [by the] laws of [the state] Utah.

(2) When necessary to perform his duties, the state treasurer may inspect the books, papers, and accounts of any state entity.

Section 2. Section **67-4-2** is amended to read:

67-4-2. Definitions.

As used in this chapter:

(1) "Federal funds" means cash received from the United States government or from other individuals or entities for or on behalf of the United States and deposited with the state treasurer or any agency of the state.

(2) "General Fund" means ~~[moneys]~~ monies received into the treasury and not specially

appropriated to any other fund.

(3) "Maintain custody" means to direct the safekeeping and investment of state funds.

(4) (a) "State entity" means each department, commission, board, council, agency, institution, officer, corporation, fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of the state.

(b) "State entity" includes independent state agencies and public corporations.

(5) (a) "State funds" means funds that are owned, held, or administered by a state entity, regardless of the source of the funds.

(b) "State funds" includes funds of independent state agencies or public corporations, regardless of the source of funds.

(c) "State funds" does not include funds held by the Utah State Retirement Board or the Workers' Compensation Fund of Utah.

(6) "Warrant" means an order in a specific amount drawn upon the treasurer by the Division of Finance or another state agency.

Section 3. Section **67-4-10** is amended to read:

67-4-10. Official bond.

(1) The state treasurer, within 30 days after taking office, shall give to the state a surety-company bond in a sum to be determined by the State Money Management Council.

(2) The state shall pay the premium of [said] the surety-company bond [shall be paid by the state].

Section 4. Section **67-4-11** is amended to read:

67-4-11. Delict of treasurer -- Duties of auditor and governor -- Suspension.

[If the state auditor upon examination finds that] (1) The state auditor shall notify the governor if the state auditor examines the books of the state treasurer, and finds that:

(a) the books do not correspond with the amount of funds on hand[~~,-or~~];

(b) the books do not show the actual condition of the funds[~~,-or if it appears to the state auditor that any moneys~~];

(c) monies belonging to the state have been embezzled, diverted, or in any manner taken

from the treasury without authority of law[-]; or [that]

(d) the state treasurer has been guilty of negligence in keeping [his] the books[-] or in taking care of the public [moneys, the state auditor must certify the fact to the governor, who, upon] monies.

(2) Upon receipt of [such certificate, must forthwith] the notice, the governor shall:

(a) take possession of all books, [moneys,] monies, papers, and other property belonging to the state [which have come into] in the possession of [that] the state treasurer [by virtue of his office or otherwise,]; and [must]

(b) temporarily suspend [him] the state treasurer from [his] office [as state treasurer].

(3) (a) The state auditor shall:

(i) examine the books, papers, and all matters connected with the office of the suspended state treasurer; and

(ii) notify the governor of the findings.

(b) If, based upon the examination, the auditor concludes that the state treasurer has embezzled or converted to personal use the public monies, or has been negligent in keeping the books, or in taking care of the public monies, the governor shall appoint another person to replace the suspended state treasurer.

(c) The new state treasurer shall execute an official bond, and enter upon the office of state treasurer, as provided by law.

(d) The governor shall report all of the acts done under this section to the Legislature.

(4) The new state treasurer shall hold office until the suspended state treasurer is restored or until his successor is elected and qualified.

Section 5. Section **67-4-16** is amended to read:

67-4-16. State financial advisor.

(1) The state treasurer may hire on a fee-for-service basis a state financial advisor.

(2) The state financial advisor shall advise the state treasurer, the director of the Office of Planning and Budget, the director of the Division of Finance, and the director of the Division of Facilities Construction and Management on the issuance of bonds and other debt, and on all other public debt matters generally.

~~[(2)]~~ (3) The financial advisor may assist in the preparation of the official statement, represent the state's creditworthiness before credit rating agencies, and assist in the preparation, marketing, or issuance of public debt.

~~[(3)]~~ (4) The state financial advisor or the firm that he represents may not underwrite debt issued by the state of Utah for which he has provided financial advisor services.

~~[(4)]~~ (5) (a) Fees directly related to the preparation, marketing, or issuance of public debt, including ordinary and necessary expenses, may be paid from the debt proceeds.

(b) Fees for other services shall be paid from the state treasurer's budget.

Section 6. Repealer.

This act repeals:

Section 67-4-4, Preparation, issuance and drawing of warrants -- Return of redeemed warrants.

Section 67-4-5, Redemption of warrants when unpaid.

Section 67-4-6, Warrants not presented within two years canceled -- Exception.

Section 67-4-7, Books open to inspection.

Section 67-4-8, Right of visitation and examination.

Section 67-4-9, Separate accounts for each fund -- Reports to governor -- Publication.

Section 67-4-12, Appointment and term of acting treasurer -- Reports to Legislature.

Section 67-4-13, Seal.

Section 67-4-14, Duty to keep bonds, warrants, and other securities.