

By: Perry

S.B. No. 158

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the location of a bank eligible to be selected as a
3 depository or subdepository of county public money, including money
4 held by a county or district clerk.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 116.021(a), Local Government Code, is
7 amended to read as follows:

8 (a) The commissioners court of a county shall select by the
9 process provided by this subchapter or by Subchapter C, Chapter
10 262, one or more banks in this state [~~the county~~] and enter a
11 contract with each selected bank for the deposit of the county's
12 public funds. The county shall contract with a bank under this
13 section for a two-year or four-year contract term. On expiration of
14 a contract under this section, the contract may be renewed for two
15 years under terms negotiated by the commissioners court.

16 SECTION 2. Sections 116.023(a) and (d), Local Government
17 Code, are amended to read as follows:

18 (a) A bank in this state [~~the county~~] that wants to be a
19 county depository must deliver its application to the county judge
20 or a designated representative of the judge on or before a date set
21 by the commissioners court that is no later than the 60th day before
22 the date of the expiration of the existing depository contract.

23 (d) A bank in this state [~~the county~~] that wants to be a
24 county subdepository must comply with Subsections (a) and (b)(1).

1 The subdepository's application must include a proposal outlining
2 its security for the county public funds to be held in addition to
3 revenue offers.

4 SECTION 3. Section 116.027(a), Local Government Code, is
5 amended to read as follows:

6 (a) If no application to be a county depository is
7 submitted, or if all of the applications are declined, the
8 commissioners court shall deposit the funds of the county with any
9 one or more banks in this state [~~the county or in the adjoining~~
10 ~~counties~~] in the amounts and for the periods as the commissioners
11 court considers advisable.

12 SECTION 4. Section 116.116(b), Local Government Code, is
13 amended to read as follows:

14 (b) If the commissioners court selects a depository in
15 another county [~~under Section 116.026~~], the depository shall file a
16 statement with the county treasurer designating the place in the
17 county governed by the commissioners court where, and the person by
18 whom, deposits by the treasurer may be received and checks will be
19 paid, or the place in another county where deposits may be made and
20 checks may be paid. The statement must be filed within five days
21 after the date notice is given to the depository of its selection.

22 SECTION 5. Section 117.021(a), Local Government Code, is
23 amended to read as follows:

24 (a) The commissioners court of a county shall select by the
25 process provided by this subchapter or by Subchapter C, Chapter
26 262, a federally insured bank or banks in this state [~~the county~~]
27 be the depository for a special account held by the county clerk and

1 the district clerks. The county shall enter a contract with the
2 selected federally insured bank or banks for a two-year or
3 four-year term. The original term can be renewed once for an
4 additional two-year term. The contract may, on request by the
5 clerk and approval of the commissioners court, include a provision
6 that the funds in a special account earn interest. A request from
7 the clerk that an account earn interest must be made, in writing, to
8 the commissioners court not later than the 30th day before the date
9 the county gives notice under Section 117.022 and shall be entered
10 in the minutes of the court.

11 SECTION 6. Section 117.113, Local Government Code, is
12 amended to read as follows:

13 Sec. 117.113. DEPOSITORY CONTRACT. The commissioners court
14 of the county collecting the funds may contract with one or more
15 banks in this state [~~the county~~] for the deposit of the funds in a
16 special account to be called the "registry fund."

17 SECTION 7. Section 117.115, Local Government Code, is
18 amended to read as follows:

19 Sec. 117.115. APPLICATIONS. A bank in this state [~~the~~
20 ~~county~~] that wants to be a special depository for the registry fund
21 is subject to the same application provisions as those prescribed
22 by Section 116.023 for the applicants for the county depository
23 contract.

24 SECTION 8. Sections 116.026 and 117.026, Local Government
25 Code, are repealed.

26 SECTION 9. This Act takes effect September 1, 2023.