

HOUSE BILL NO. 333
INTRODUCED BY WAITSCHIES

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING LOCAL GOVERNMENTS TO RETURN INTEREST FROM INVESTMENTS AND DEPOSITS TO A SPECIFIED FUND IN PROPORTION TO THAT FUND'S PARTICIPATION IN AN INVESTMENT OR DEPOSIT RATHER THAN DEPOSITING THE INTEREST IN THE GENERAL FUND; AMENDING SECTION 7-6-204, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 7-6-204, MCA, is amended to read:

"7-6-204. Crediting of interest -- exceptions. (1) ~~Unless otherwise provided by law or by the terms of a gift, grant, or donation, interest~~ Interest paid and collected on deposits or investments must be credited to the general fund of the county, city, or town to whose credit the funds are deposited unless otherwise provided:

(a) by law;

(b) by terms of a gift, grant, or donation; or

(c) by subsections (2) and (3).

(2) ~~Interest~~ Subject to subsection (1), interest paid and collected on the deposits or investments of the funds of a volunteer fire district or department organized in an unincorporated area under Title 7, chapter 33, part 21 or 23, must be credited to the account of that fire district or department.

(3) ~~Interest~~ Subject to subsection (1), interest paid and collected on the deposits or investments of any fund separately created and accounted for by a county, city, or town, including but not limited to the county road fund or county bridge fund, may be credited to the ~~county road fund or county bridge~~ separately created fund proportionately to each fund's participation in the deposit or investment."

NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2003.

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