

DEPOSITORIES FOR PUBLIC MONEYS (EXCERPT)
Act 40 of 1932 (1st Ex. Sess.)

129.16 “Financial institution” defined; financial institution not maintaining principal or branch office in state; designation and deposit of public money.

Sec. 6. (1) As used in this act, “financial institution” means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and, except as provided in subsection (2), maintains a principal office or branch office located in this state under the laws of this state or the United States.

(2) A governmental unit described in section 2 may designate and deposit public money, including tax money, in 1 or more financial institutions that do not maintain a principal office or branch office in this state if all of the following apply:

(a) The governmental unit borders another state.

(b) The financial institution maintains a principal office or branch office in the border state under the laws of this state or the United States.

(c) There is no principal office or branch office of a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government that maintains a principal office or a branch office in the governmental unit.

History: Add. 1997, Act 31, Imd. Eff. June 19, 1997;—Add. 1997, Act 33, Imd. Eff. June 19, 1997.