

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 199
House Committee Substitute Favorable 6/10/15

Short Title: Funds Deposited with Clerk of Court.

(Public)

Sponsors:

Referred to:

March 10, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE AMOUNT OF FUNDS IN A SINGLE ACCOUNT ON
3 DEPOSIT WITH THE CLERK OF SUPERIOR COURT ABOVE WHICH THE EXCESS
4 MUST BE INVESTED PURSUANT TO STATUTORY REQUIREMENTS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 7A-112 reads as rewritten:

7 "§ 7A-112. Investment of funds in clerk's hands.

8 (a) The clerk of the superior court may in his or her discretion invest moneys secured
9 by virtue or color of the clerk's office or as receiver in any of the following securities:

- 10 (1) Obligations of the United States or obligations fully guaranteed both as to
11 principal and interest by the United States;
12 (2) Obligations of the State of North Carolina;
13 (3) Obligations of North Carolina cities or counties approved by the Local
14 Government Commission; and
15 (4) Shares of any building and loan association organized under the laws of this
16 State, or of any federal savings and loan association having its principal
17 office in this State, and certificates of deposit for time deposits or savings
18 accounts in any bank or trust company authorized to do business in North
19 Carolina, to the extent in each instance that such shares or deposits are
20 insured by the State or federal government or any agency thereof or by any
21 mutual deposit guaranty association authorized by the Commissioner of
22 Banks of North Carolina to do business in North Carolina pursuant to Article
23 7A of Chapter 54 of the General Statutes. If the clerk desires to deposit in a
24 bank, saving and loan, or trust company funds entrusted to the clerk by
25 virtue or color of the clerk's office, beyond the extent that such deposits are
26 insured by the State or federal government or an agency thereof or by any
27 mutual deposit guaranty association authorized by the Commissioner of
28 Banks of North Carolina to do business in North Carolina pursuant to Article
29 7A of Chapter 54 of the General Statutes, the clerk shall require such
30 depository to furnish a corporate surety bond or obligations of the United
31 States or obligations fully guaranteed both as to principal and interest by the
32 United States or obligations of the State of North Carolina, or of counties
33 and municipalities of North Carolina whose obligations have been approved
34 by the Local Government Commission.

35 (b) When money in a single account in excess of ~~two thousand dollars (\$2,000)~~five
36 thousand dollars (\$5,000) is received by the clerk by virtue or color of ~~his~~the clerk's office and



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1 it can reasonably be expected that the money will remain on deposit with the clerk in excess of
2 six months from date of receipt, the money exceeding ~~two thousand dollars (\$2,000)~~five
3 thousand dollars (\$5,000) shall be invested by the clerk within 60 days of receipt in investments
4 authorized by this section. The first ~~two thousand dollars (\$2,000)~~five thousand dollars
5 (\$5,000) of these accounts and money in a single account totaling less than ~~two thousand~~
6 ~~dollars (\$2,000)~~five thousand dollars (\$5,000), received by the clerk by virtue or color of ~~his~~
7 the clerk's office, shall be invested, or administered, or invested and administered, by the clerk
8 in accordance with regulations promulgated by the Administrative Officer of the Courts. This
9 subsection shall not apply to cash bonds or to money received by the clerk to be disbursed to
10 governmental units.

11 (c) The State Auditor is hereby authorized and empowered to inspect the records of the
12 clerk to insure compliance with this section, and ~~he~~ shall report noncompliance with the
13 provisions of this section to the Administrative Officer of the Courts.

14 (d) It shall be unlawful for the clerk of the superior court of any county receiving any
15 money by virtue or color of ~~his~~the clerk's office to apply or invest any of ~~it~~those monies
16 except as authorized under this section. Any clerk violating the provisions of this section shall
17 be guilty of a Class 1 misdemeanor."

18 **SECTION 2.** This act becomes effective July 1, 2015.