

## OFFICE OF STATE TREASURER

### **Section 36-17-1**

#### **Bond.**

Before entering on the duties of his office, the Treasurer shall execute to the State of Alabama a bond, to be approved by the Governor, in the amount of \$150,000.00, for the faithful performance of his duties.

*(Acts 1943, No. 122, p. 123, § 1; Acts 1961, Ex. Sess., No. 208, p. 2190, § 1.)*

### **Section 36-17-2**

#### **Jurisdiction of action upon Treasurer's bond.**

In all actions upon the bond of the Treasurer or against the sureties or insurers of such bond, the courts of the State of Alabama shall have exclusive jurisdiction, and this shall be deemed a condition of such bond.

*(Code 1907, §619; Code 1923, §829; Code 1940, T. 55, §227.)*

### **Section 36-17-3**

#### **Duties generally.**

The powers, functions, and duties of the Treasurer shall be:

- (1) To receive all moneys due the state and deposit them in the proper accounts.
- (2) To perform the functions and duties now authorized by law with respect to state depositories.
- (3) To pay all warrants duly executed by the Comptroller, and to pay for funds electronically transferred by the Comptroller in accordance with Section 41-4-50, upon the determination that there is sufficient money for the payment thereof in the fund upon which they are drawn. No warrant executed by any other person shall be honored. All checks drawn on the state funds shall be signed by the Treasurer, or the chief clerk in the office, and countersigned by the special assistant in the office of the Treasurer, who is appointed by the Treasurer with the approval of the Governor. Another employee may be designated by the Treasurer, with the approval of the Governor, to countersign checks in the absence of the special assistant. These signatures must be originals or facsimiles created by a controlled check signing machine. No checks shall be honored unless so signed and countersigned.
- (4) To take receipts for all payments, to file the receipts and warrants, to number them in chronological order for each fiscal year and to keep account of the receipts and expenditures of the public money.

(5) To particularly enter in his or her books the amounts of money he or she receives for taxes, licenses, or on any other account of the state, so that the net receipts of the whole revenue as well as of every branch thereof and the amounts of disbursements shall distinctly appear.

(6) To give information, in writing, to the Legislature or either house thereof or to the Governor when required, reporting all matters pertaining to his or her office.

(7) To pay the principal and interest on the state debt and for the purpose of paying the interest on the bonded indebtedness of the state, and it is his or her particular duty to conform in all respects to the requirements of the law as set forth in this chapter.

(8) To have the custody of, and keep safe, all moneys, bonds, and other securities held in any sinking fund for the payments of bonds of the state and to do and perform the other duties with reference to state bonds and their redemption as are now, or may be, required by law.

(9) To have the custody of, and to keep safe, all moneys, bonds, mortgages, and other securities required or permitted by law to be deposited with the state or any officer thereof, by any bank, trust company, insurance company, mutual aid or benefit association, or other person or corporation, and also all securities held by the state, including those held for the account of any sinking fund, including those heretofore in the custody of their sinking fund commission. All of the moneys, bonds, mortgages, and other securities shall be guarded at all times by a bonded officer or employee while in the office of the Treasurer and shall, upon receipt, be deposited in a burglarproof and fireproof vault by the Treasurer. Until the state shall have acquired an adequate burglarproof and fireproof vault, the combinations to which shall be known only to the Treasurer and adequately bonded employees, all of the bonds, mortgages, and other securities shall be kept in safety deposit boxes or vaults in one or more banks or trust companies approved for that purpose by the Treasurer. In any event, however, whether any vault shall have been acquired by the state or not, when requested by any depositor, the Treasurer may authorize the deposit of any money, bonds, mortgages, or other securities by the depositor with a bank or trust company in the State of Alabama to be held in its safety deposit boxes or vaults, which bank or trust company shall have been approved in advance by the Treasurer ("authorized institution"); provided that securities pledged to secure state funds may be held by an authorized institution a. in the vault of any bank insured by the Federal Deposit Insurance Corporation and located in a federal reserve bank city or b. through any clearing corporation which effects book-entry transfers of securities deposited with it. Any authorized institution accepting the deposits or holding the securities, either in its vault, safety deposit box, or through a bank or clearing corporation, shall have executed with the Treasurer a contract with respect to the safekeeping of the money, bonds, mortgages, or other securities, and the substitution therefor of other money, bonds, mortgages, or other securities. The contract shall be approved in writing by the depositor. When an authorized institution sends a written acknowledgment to the Treasurer that it holds, whether in its vault, safety deposit box, or through a bank or clearing corporation, securities for the state pursuant to a safekeeping contract, then at the time, for purposes hereof and for all purposes of the Alabama Commercial Code, Title 7, the state takes delivery of, is a holder of, and obtains a perfected security interest in the securities. Any charges in connection with the deposit shall be paid by the depositor. The Treasurer shall not be personally liable for the loss of money, bonds, mortgages, or other securities so deposited if he or she shall have used reasonable precaution in approving the authorized institution. When, in the opinion of the Governor, it is considered necessary, the Treasurer shall be required to give an additional bond in such a sum as is determined by the Governor, the premium thereon to be paid from the State Treasury.

(10) To serve as a member of the State Board of Adjustment and of the other boards and commissions of which he or she is by law made a member.

(11) To have access to all records and accounts relating to receipts and disbursements of the State Treasury in any other department, board, bureau, commission, agency, or office of the state, to enable him or her to better perform the functions and duties required of him or her by the constitution and laws of the state and protect himself or herself in the performance of those functions and duties.

(12) To make reports as are required by the constitution, which reports shall, however, be printed and bound with, and as a part of, the annual financial report of the state prepared by the Department of Finance and to make other reports as may be required by the Governor or the Legislature.

(13) To furnish to the Comptroller, on or before the tenth day of each month, a list of all outstanding warrants existing at the end of the month next preceding and from the beginning of the fiscal year as shown by the records of the Treasurer's office.

(14) To take out security insurance for the safekeeping of bonds, robbery insurance, burglary insurance, or any other insurance as may be deemed necessary for the safeguarding of money and security, the premiums thereon to be paid from the State Treasury.

(15) To administer and enforce the provisions of the Uniform Disposition of Unclaimed Property Act, as codified under Chapter 12 of Title 35.

(16) To perform such other duties as are, or may be, by law required of him or her.

***(Acts 1939, No. 450, p. 603, §1; Code 1940, T. 55, §211; Acts 1981, 3rd Ex. Sess., No. 81-1138, p. 412, §1; Acts 1984, No. 84-472, p. 1092, §1; Acts 1985, 2nd Ex. Sess., No. 85-932, p. 231, §1; Acts 1996, No. 96-724, p. 1197, §1.)***

#### **Section 36-17-4**

##### **Chief clerk and other assistants.**

(a) The Treasurer may employ a chief clerk and such other assistants as may be necessary for the proper conduct of the business of the office, subject to the Merit System.

(b) Before entering upon the duties of their respective offices, the chief clerk, the assistant clerk, the pension clerk and the stenographer in the office of the Treasurer shall each execute to the State of Alabama a bond, to be approved by the Governor, in amounts to be fixed by the Treasurer, for the faithful performance of the duties of their offices.

***(Code 1907, §625; Acts 1923, No. 600, p. 789, §6; Code 1923, §835; Acts 1933, Ex. Sess., No. 138, p. 124, §1; Acts 1936, Ex. Sess., No. 201, p. 238, §1; Code 1940, T. 55, §216; Acts 1943, No. 122, p. 123, §1; Acts 1961, Ex. Sess., No. 208, p. 2190, §1.)***

#### **Section 36-17-4.1**

**Additional employee.**

The State Treasurer is hereby authorized to hire, without regard to the state Merit System law, one additional employee who shall serve at the pleasure of the State Treasurer. The Treasurer shall set the salary of the said additional employee, provided that such salary shall not exceed the maximum amount payable to assistant department heads of the Executive Branch of government. For purposes of pay and employment benefits, rights and privileges, the said additional employee shall be treated as if he or she is an employee of the state.

*(Acts 1987, No. 87-803, p. 1577, § 1.)*

**Section 36-17-5**

**Officers and employees subject to Merit System.**

All officers and employees in the office of the Treasurer shall be subject to the provisions of the Merit System.

*(Acts 1939, No. 450, p. 603, § 1; Code 1940, T. 55, &sect;211.)*

**Section 36-17-6**

**Settlement of accounts and delivery of books, etc., on removal or resignation.**

If the Treasurer resigns or is removed, he must immediately after such resignation or removal deliver the books, papers and money belonging to the treasury to his successor, taking a receipt therefor, and must, within 10 days after resignation or removal, state his account, and the Department of Finance must record and file in his office a statement of such settlement and receipt and report the same to the next session of the Legislature.

*(Code 1852, §67; Code 1867, §101; Code 1876, §102; Code 1886, §115; Code 1896, §2014; Code 1907, §620; Code 1923, §830; Code 1940, T. 55, §212.)*

**Section 36-17-8**

**Procedure for drawing money for payment of interest.**

(a) Not less than 15 nor more than 30 days before the due date of principal and interest on each of the respective issues of bonded indebtedness, the Treasurer must certify to the Comptroller the amount of money needed to pay the principal and interest falling due on that date, and for any expenses necessarily incurred by the fiscal agent in the discharge of its duties. The Comptroller shall draw his warrant on the treasury in favor of the Treasurer for such amount to be paid out of any fund appropriated for the payment of principal and interest and expenses.

(b) Not more than 15 business days before the actual due date of principal and interest, the Treasurer shall remit to the fiscal agent, by wire transfer or draft, the total amount of principal, interest, and expenses of the fiscal agent, due on said bond.

(c) For the purpose of paying principal and interest on any issues of funded indebtedness, the Treasurer with the written consent of the Governor, may designate at least two banks, one or more within the State of Alabama and one or more within the continental United States.

(d) In the event that any issues of bonded indebtedness existing, prior to the date of enactment of this section, provide by the terms of the issue an alternate means of paying principal and interest, including but not limited to the establishment of a sinking fund or advance payment, then such payment shall be made in accordance with the terms of such bond indenture.

***(Code 1886, §122; Code 1896, §2020; Code 1907, §627; Code 1923, §837; Code 1940, T. 55, §218; Acts 1983, 1st Ex. Sess., No. 83-78, p. 83, §1; Acts 1983, 2nd Ex. Sess., No. 83-165, p. 334, §1.)***

### **Section 36-17-10**

#### **Payment of interest.**

It is the duty of the fiscal agent to pay the interest on the bonded indebtedness of the state, upon presentation of the proper coupons and checks and, upon payment, to immediately cancel such coupons and checks and to forward the same to the Treasurer, by express or otherwise, as he directed.

***(Code 1886, §124; Code 1896, §2022; Code 1907, §629; Code 1923, §839; Code 1940, T. 55, §220; Acts 1983, 1st Ex. Sess., No. 83-78, p. 83, §1.)***

### **Section 36-17-11**

#### **When Treasurer not liable for loss in providing for payment of interest.**

The Treasurer shall not be liable for any loss or damage sustained by the state in carrying out the provisions of Section 36-17-8, which does not result from any fault or negligence on his part.

***(Code 1886, §125; Code 1896, §2023; Code 1907, §630; Code 1923, §840; Code 1940, T. 55, §221.)***

### **Section 36-17-12**

#### **Custodian of state bonds, etc., redeemed; registry of paid bonds.**

The Treasurer is the custodian of all redeemed bonds and paid coupons of the state which must be cancelled. He must register them in a book kept for that purpose, in such manner as to show a full and complete identification by date, number, amount, rate of interest, time and place of payment and by whom issued, and such registry must be carefully preserved. All bonds of the state redeemed or paid must be cancelled and filed in the office of the Treasurer.

***(Code 1867, §106; Code 1876, §106; Code 1886, §119; Code 1896, §2024; Code 1907, §631; Code 1923, §841; Code 1940, T. 55, §222.)***

### **Section 36-17-13**

#### **Recordation of paid and cancelled coupons; destruction of cancelled bonds and coupons.**

The Treasurer must enter, in suitable books kept for that purpose, a record of all paid and cancelled coupons of the several classes of coupon bonds issued by the state and all coupon bonds which the state may hereafter issue, such record to be made as soon as practicable after such payment and cancellation. The Examiner of Public Accounts, from time to time, shall examine the cancelled bonds and coupons and shall compare such bonds and coupons with the record made thereof, as required by this section, and with the interest and redemption ledger kept by the Treasurer. Immediately after such examination, the Treasurer and the Examiner of Public Accounts shall then destroy such bonds and coupons, and the state examiner shall certify to the fact of the destruction of such bonds and coupons on the aforesaid record required to be kept by this section.

*(Code 1896, §2025; Code 1907, §632; Acts 1909, No. 84, p. 275; Code 1923, §842; Code 1940, T. 55, §223; Acts 1969, No. 223, p. 543, §1.)*

### **Section 36-17-14**

#### **Issuance of duplicates of lost or destroyed registered state bonds.**

Whenever it shall be made to appear to the Governor, auditor and Treasurer, by clear and satisfactory evidence, that any duly registered bond of the State of Alabama, bearing interest, has been lost or destroyed so that the same is not held by any person as his property, they shall issue a duplicate of such registered bond, in like amount, bearing like interest and executed and marked in like manner as the bond so proved to have been lost or destroyed. But the owner of such lost or destroyed bond shall first execute a penal bond in double the amount of such lost or destroyed bond and the interest which would thereafter accrue thereon, with two good and sufficient sureties, to be approved by the Governor, payable to the State of Alabama, with condition to indemnify and save harmless the state from any claim because of such lost or destroyed bond. Such penal bond shall be filed and kept in the office of the Treasurer, and a copy thereof, duly certified by the Treasurer, is admissible in evidence in any court.

*(Code 1896, §2026; Code 1907, §633; Code 1923, §843; Code 1940, T. 55, §224.)*

### **Section 36-17-15**

#### **Conversion of coupon bonds into registered bonds and vice versa.**

(a) All bonds of the State of Alabama of every kind and character heretofore issued which constitute a direct obligation of the State of Alabama, and for the payment of which the full faith and credit of the State of Alabama is pledged, may be converted or exchanged from coupon bonds into registered bonds of the same series, denominations and maturities and may be converted or exchanged from registered bonds into coupon bonds of the same series, denominations and maturities in such manner that coupon bonds and registered bonds of the

same series, denominations and maturities shall be interchangeable, at the option of the holder thereof.

(b) The Treasurer, with the approval of the Governor, is authorized to prescribe regulations for the registration of bonds and for the conversion or exchange of coupon bonds into registered bonds of the same series, denominations and maturities and for the conversion or exchange of registered bonds into coupon bonds of the same series, denominations and maturities, so that coupon bonds and registered bonds of the same series, denominations and maturities shall be interchangeable, at the option of the holder thereof, on all issues of bonds described in subsection (a) of this section.

(c) Upon the issuance of a registered bond for a coupon bond, all matured and unearned coupons on said bonds shall be first clipped from the said bond by the Treasurer and cancelled.

(d) The fee to be paid on each such conversion or exchange of a registered bond to a coupon bond shall be \$2.00 for each \$1,000.00, or fraction thereof, of face value of bonds so converted or exchanged, and the fee to be paid on each such conversion or exchange of a coupon bond to a registered bond shall be \$.50 for each \$1,000.00 or fraction thereof of face value of bonds so converted or exchanged, which fees shall be paid to the Treasurer and shall be placed to the credit of the General Fund of the State.

(e) The Treasurer shall keep a full and complete record of all coupon bonds which are converted or exchanged into registered bonds and a full and complete record of all registered bonds which are converted or exchanged into coupon bonds, with the respective numbers of such bonds both before conversion or exchange and after conversion or exchange, the amount or denomination thereof when converted or exchanged and the name and address of the registered holders of all bonds which are converted or exchanged from coupon bonds into registered bonds and the name and address of all holders of registered bonds which are converted or exchanged into coupon bonds. Such registered bonds can be transferred only by an appropriate change of registration in such manner and form as may be prescribed by the Treasurer, with the approval of the Governor.

(f) Interest on all registered bonds shall be paid by check or draft of the Treasurer mailed to the holder at the address shown by the registration records.

(g) No coupon bond shall be converted into a registered bond and no registered bond shall be converted into a coupon bond within 15 days prior to any interest payment date.

***(Acts 1936, Ex. Sess., No. 201, p. 238, §§1-7; Code 1940, T. 55, §225.)***

### **Section 36-17-16**

#### **Destruction of cancelled state warrants and journals relating thereto.**

The State Treasurer may, in his discretion, destroy, or cause to be destroyed, any cancelled state warrants at any time after the expiration of one year after the close of the fiscal year in which the warrants were issued; provided, such warrants have been photographed or microphotographed as authorized by law. He shall likewise have the power and authority to destroy, or cause to be destroyed, the journals pertaining to or covering such warrants.

The State Treasurer shall not be required to obtain the permission, approval or consent of any state officer, agency or commission to destroy such records, the provisions of any other law to the contrary notwithstanding.

*(Acts 1969, No. 222, p. 542, §1; Acts 1973, No. 1242, p. 2091, §1; Acts 1984, No. 84-473, p. 1095, §1.)*

### **Section 36-17-17**

#### **Special trustee of state sinking funds.**

Sinking funds are trust funds for the equitable use and benefit of the holders and owners of the state bonds or obligations for the payment of which the sinking funds were created. The Treasurer is special trustee for the care and custody of such sinking funds after they are paid into the State Treasury. It shall be the duty of the Treasurer to take charge of, keep safely and handle the funds coming into said sinking funds.

*(Acts 1923, No. 436, p. 585, §1; Code 1923, §844; Acts 1935, No. 311, p. 743, §5; Acts 1939, No. 112, p. 144, §§9, 10; Code 1940, T. 55, §226.)*

### **Section 36-17-18**

#### **Investment of surplus state funds in obligations of United States and State of Israel.**

(a) The State Treasurer is authorized and empowered, in his or her discretion, with the written approval of the Governor, to invest funds held in the State Treasury in direct obligation of the United States of America and in direct obligations backed by the full faith and credit of the State of Israel whenever and to the extent that the amount of any such funds exceeds the amount which the State Treasurer finds, with the written approval of the Governor, cannot be applied either immediately or within a short time to any purpose for which such funds are held.

(b) For the purpose of making investments under the provisions of this section, the State Treasurer, with the written approval of the Governor, is authorized to make purchases and sales of direct obligations of the United States of America and the State of Israel, and the State Treasurer shall be the custodian thereof.

(c) All direct obligations of the United States of America and the State of Israel in which any such funds are invested pursuant to the provisions of this section shall be registered in the name of the State Treasurer of Alabama in trust for such fund to which such investments belong, and all such direct obligations and any interest or other earnings thereon shall be held by the State Treasurer in the State Treasury in the fund in which the funds so invested were held prior to the investment thereof as herein authorized.

(d) All earnings and income from the investments under the provisions of this section, unless otherwise provided, are hereby appropriated to and made a part of the fund from which the investment is made.

*(Acts 1945, No. 66, p. 63, §§1-4; Act 2004-517, §1.)*



**Section 36-17-19**

**Bonds, etc., to be deposited with Treasurer and payments made to Treasurer.**

All bonds and other securities for money belonging to the state or under the control thereof are to be deposited with the Treasurer, and all payments on the same must be made to the Treasurer, being first certified to him by the Comptroller.

*(Code 1852, §385; Code 1867, §431; Code 1876, §537; Code 1886, §643; Code 1896, §2012; Code 1907, §615; Code 1923, §823; Acts 1939, No. 112, p. 144, §15; Code 1940, T. 55, §89.)*

**Section 36-17-20**

**State Treasury Operations Fund.**

(a) There is hereby created in the state treasury a special fund to be known as the State Treasury Operations Fund, which shall be used exclusively for the operations of the Office of the State Treasurer. This fund may receive general fund appropriations, amounts from the Unclaimed Property Reserve Fund, and any other receipts. All unobligated amounts remaining in this special fund at the end of any fiscal year of the State of Alabama shall remain in this special fund and be available for use for the operations of the office. No funds shall be expended for any purpose whatsoever unless the same have been allotted and budgeted in accordance with the provisions of Article 4 of Chapter 4 of Title 41, and only in amounts and for the purposes provided by the Legislature in the general appropriation bill or as otherwise provided by statute.

(b) Should the funds provided to the State Treasurer through the State Treasury Operations Fund be insufficient to properly operate the office, the State Treasurer shall request a sufficient appropriation from any state funds.

*(Act 2013-92, p. 203, §1.)*