

Connecticut Statutes

Municipal Finance Law

§ 7-402(a) Deposit of public money and trust funds.

(a) Any public official of any municipality may deposit any public funds received, held or controlled by such public official and belonging to such municipality, or otherwise held by such public official as such public official or as a custodian or trustee on behalf of such municipality, (1) in any qualified public depository, or (2) in an amount not exceeding the Federal Deposit Insurance Corporation insurance limit, in any out-of-state bank which is not a qualified public depository, designated by such public official; provided such deposit shall only be made in such public official's name as such public official, custodian or trustee or in the name of the municipality to which the money belongs. [further text omitted]

The Banking Law of Connecticut

§ 36a-336 Public deposits in qualified public depository or out-of-state bank.

No public deposit shall be made except in a qualified public depository or in an out-of-state bank if (1) the deposit is permitted by a statute of this state and (2) such out-of-state bank provides eligible collateral for such deposit in excess of the Federal Deposit Insurance Corporation insurance limit in an amount satisfactory to the public depositor but in any event affording protection at least equal to that provided under sections 36a-330 to 36a-338, inclusive.

§ 36a-330 Definitions

(8) "Qualified public depository" or "depository" means a bank, Connecticut credit union, federal credit union or an out-of-state bank that maintains in this state a branch, as defined in section 36a-410, which receives or holds public deposits and, to the extent applicable, (A) segregates eligible collateral for public deposits as described in section 36a-333, or (B) arranges for a letter of credit to be issued in accordance with section 36a-337;

(11) "Uninsured public deposit" means the portion of a public deposit that is not insured or guaranteed by the Federal Deposit Insurance Corporation or by the National Credit Union Administration. For purposes of this subdivision, amounts of a public deposit that are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration include amounts that have been redeposited, with the authorization of the public depositor, into deposit accounts in one or more federally insured banks, out-of-state banks, Connecticut credit unions or federal credit unions, including the qualified public depository, provided the full amounts so included are eligible for insurance coverage by the Federal Deposit Insurance Corporation or by the National Credit Union Administration.¹

Note: please see section 36a-338 for reporting requirements.

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¹ Highlight is for informational purposes only and does not appear in the text of the Connecticut statutes.