

Opinion No. 22-3612

October 20, 1922

BY: HARRY S. BOWMAN, Attorney General

TO: Mr. Luis E. Armijo, District Attorney, Las Vegas, New Mexico.

Banks Qualified to Receive Deposits From Various Governmental Agencies.

OPINION

{*187} In reply to your letter of the 17th instant, asking for a construction of Section 11, Chapter 70, Laws of 1917, -- I assume you mean Section 1, Chapter 70, Laws 1917, which amends Section 11, Chapter 57, Laws 1915 -- as to the disposition of funds of various agencies. I wish to say:

You ask if a depository bank qualifies for the maximum amount provided it may receive for more than one deposit, that is, if it may receive the maximum amount from the state or county or municipality, and the school district, or whether it is restricted to 75 per cent of the capital and surplus in the aggregate from all of the various sources.

Section 11, Chapter 57, Laws 1915, as amended by Chapter 70, Laws of 1917, indicates that it was the intent of the legislature to permit the bank to receive an amount equal to 75 per cent of the capital and surplus from each of the custodians of the public funds. The use of the words "such board of finance" in the seventh line of Section 1, Chapter 70, Laws of 1917, referring back to the board of finance mentioned in line two of the section, clearly refers to each separate board of finance having control of the public moneys, and there is no method prescribed whereby one board of finance may have knowledge of the amount deposited in such bank by any other such board.

I am, therefore, of the opinion that depository banks are entitled to receive a maximum of 75 per cent of the amount of the capital and surplus from each public officer making such deposits.