

1979 S.C. Op. Atty. Gen. 122 (S.C.A.G.), 1979 S.C. Op. Atty. Gen. No. 79-88, 1979 WL 29093

Office of the Attorney General

State of South Carolina

Opinion No. 79-88

July 2, 1979

***1 SUBJECT: Excess Funds—Investments.**

A county treasurer may invest excess funds in a savings or building and loan association in an amount not to exceed \$100,000.

TO: Honorable Ted O. Wright
Lancaster County Treasurer

QUESTION:

Is it permissible to invest up to \$4,000,000 of excess funds in a building or savings and loan association?

APPLICABLE LAW:

[Sections 6-5-10](#) and [12-45-220](#) of the 1976 Code of Laws.

DISCUSSION:

Both sections contain similar provisions relating to the question presented. The language is that investments may be made in:

'(3) Savings and loan associations to the extent that the same are secured by the Federal Deposit Insurance Corporation; * * *.' [Section 6-5-10\(3\)](#).

The language in [§ 12-45-220](#) is building and loan associations.

The authority to invest is thus limited by the above stated provisions to the amount insured by the Federal Deposit Insurance Corporation. The Depositor is generally insured up to \$40,000, however, an exception is made for:

'(2)(A) Notwithstanding any limitation in this chapter or in any other provision of law relating to the amount of deposit insurance available for the account of any one depositor, in the case of a depositor who is - - - * * *

(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in such State; * * *

his deposit shall be insured in an amount not to exceed \$100,000 per account.' [12 U.S.C.A., § 1821](#).

The deposit is thus limited to \$100,000.

CONCLUSION: A county treasurer may invest excess funds in a savings or building and loan association an amount not to exceed \$100,000.

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