

1973 WL 26611 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

February 13, 1973

*1 Honorable Grady L. Patterson, Jr.
South Carolina State Treasurer
P. O. Box 11778
Columbia, South Carolina 29211

Dear Mr. Patterson:

You have requested that this Office render an opinion as to how you may hold deposits received under the provisions of § 46-750.1 Code of Laws of South Carolina, 1962.

Deposits received pursuant to § 46-750.1 (supra) are held by you to satisfy, in accordance with the provisions of the Motor Vehicle Safety Responsibility Act, any execution on a judgment issued against the person making the deposit for damages, including damage for care and loss of service, because of bodily injury to or death of any person or for damages because of injury to or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, use or operation of a motor vehicle after such deposit has been made. It is therefore clear that deposits made under this section can only be made payable to the State of South Carolina, Office of the State Treasurer, if compliance is to be had therewith.

You additionally inquire as to whether deposits so held may bear interest for the benefit of the person making the deposit. The interest of the State, requires that \$25,000 be deposited to afford proof of financial responsibility. If this amount is deposited payable only to the Office of the State Treasurer in compliance with § 46-750.1 (supra) there does not appear to be any objection for the bank or institution holding the deposit to pay interest thereon, such interest being the property of the individual making the deposit.

In summary it is the opinion of this Office, that you may comply with the provisions of § 46-750.1 (supra) by requiring the amount of \$25,000 to be deposited in a qualified financial institution by the depositing individual purchasing a Certificate of Deposit made payable in the following manner:

‘Pay to the order of the State of South Carolina, office of the Treasurer, pursuant to the provisions of Section 46-750.1 Code of Laws of South Carolina, 1962, for the benefit of Thomas K. Sudderth.’

If the deposit is established in the above manner you, as payee, could authorize the depository to make interest payments to the individual on whose behalf the deposit was made. This could be accomplished by an assignment by you of all interest received pursuant to the Certificate of Deposit to the depositing individual and in all likelihood a letter from you authorizing this assignment would be sufficient.

I trust that this has been sufficient in answer to the questions which you posed. If we can be of any further assistance, please do not hesitate to call or write.

Very truly yours,

Timothy G. Quinn
Senior Assistant Attorney General

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