

SECOND REGULAR SESSION

[PERFECTED]

SENATE BILL NO. 1143

91ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR JACOB.

Read 1st time February 12, 2002, and 1,000 copies ordered printed.

Read 2nd time February 19, 2002, and referred to the Committee on Financial and Governmental Organization, Veterans' Affairs and Elections.

Reported from the Committee March 5, 2002, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 19, 2002. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

4546S.01P

AN ACT

To repeal section 108.240, RSMo, relating to duties of the state auditor, and to enact in lieu thereof one new section relating to the same subject.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 108.240, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 108.240, to read as follows:

108.240. 1. Before any general obligation bearer bond or general obligation registered bond, hereafter issued by any county, township, city, town, village or school district or special road district or fire protection district or by virtue of the provisions of chapters 243, 245, 248, and sections 242.010 to 242.690, RSMo, for any purpose whatever, shall obtain validity or be negotiated:

(1) If such bonds are in bearer form, such bonds shall first be presented to the state auditor, [who shall register the same in a book or books, provided for that purpose, in the same manner as state bonds are now registered, and] who, other provisions of law notwithstanding, shall certify by manual or facsimile endorsement of such bonds that all conditions of the laws

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

have been complied with in its issue, if that be the case, and also that the conditions of the contract, under which they were ordered to be issued, have also been complied with and the evidence of that fact shall be filed and preserved by the auditor. The state auditor may endorse bearer bonds with [his] **the auditor's** facsimile signature in lieu of manual signature after filing [his] **the auditor's** manual signature, certified by [him] **the auditor** under oath, with the secretary of state; and

(2) If such bonds are in registered form, the proceedings relating to the issuance of such registered bonds shall first be presented to the state auditor, who shall examine the same and shall issue a certificate that such proceedings comply with all conditions of the laws, if that be the case, and also that the conditions of the contract, under which they were ordered to be issued, have also been complied with, and the evidence of these facts shall be filed and preserved by the auditor. The state auditor shall also [record] **maintain** the following information [in a book or books provided for that purpose, to wit]: the name of the issuer of the bonds; the amount thereof; the maturity dates thereof; the interest rates thereon; and the provisions with respect to prepayment, if any.

2. Such bearer bonds after receiving the said certificate of the auditor as herein provided and such registered bonds after the issuance of the said certificate as herein provided shall thereafter be held in every action, suit or proceeding in which their validity is, or may be, brought into question, prima facie, valid and binding obligations, and in every action brought to enforce collection of such bonds, the certificate of such auditor, or a duly certified copy thereof, shall be admitted and received in evidence of the validity of such bonds, together with the coupons thereto attached if any; provided, the only defense which can be offered against the validity of such bonds shall be for forgery or fraud. But this section shall not be construed to give validity to any such bonds as may be issued in excess of the limit fixed by the constitution, or contrary to its provisions, but all such bonds shall, to the extent of such excess, be held void; and provided further, that the remedy of injunction shall also lie at the instance of any taxpayer of the respective county, city, town, village, township or school district or special road district or fire protection district or drainage district or levy district to prevent the registration of any bonds, alleged to be illegally issued or funded.