

SECOND REGULAR SESSION

# SENATE BILL NO. 813

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RICHARD.

Read 1st time February 20, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

5878S.011

## AN ACT

To repeal section 67.085, RSMo, and to enact in lieu thereof one new section relating to the investment of certain public funds.

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

Section A. Section 67.085, RSMo, is repealed and one new section enacted  
2 in lieu thereof, to be known as section 67.085, to read as follows:

67.085. Notwithstanding any law to the contrary, any political subdivision  
2 of the state and any other public entity in Missouri may invest funds of the public  
3 entity not immediately needed for the purpose to which such funds or any of them  
4 may be applicable provided each public entity meets the requirements for  
5 separate deposit insurance of public funds permitted by federal deposit insurance  
6 and in accordance with the following conditions:

7 (1) The public funds are invested through a financial institution which  
8 has been selected as a depository of the funds in accordance with the applicable  
9 provisions of the statutes of Missouri relating to the selection of depositories and  
10 such financial institution enters into a written agreement with the public entity;

11 (2) The selected financial institution arranges for the deposit of the public  
12 funds in [certificates of] deposit **accounts** in one or more financial institutions  
13 wherever located in the United States, for the account of the public entity;

14 (3) Each such [certificate of] deposit [issued by financial institutions as  
15 provided in subdivision (2) of this section] **account** is insured by federal deposit  
16 insurance for one hundred percent of the principal and accrued interest of the  
17 [certificate of] deposit;

18 (4) The selected financial institution acts as custodian for the public  
19 entity with respect to [the certificate of] **such** deposit [issued for its account]

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

20 **accounts**; and

21 (5) [At the same time] **On the same date** that the public funds are  
22 deposited [and the certificates of deposit are issued] **under subdivision (2) of**  
23 **this section**, the selected financial institution receives an amount of deposits  
24 from customers of other financial institutions equal to the amount of the public  
25 funds initially invested by the public entity through the selected financial  
26 institution.

✓  
Unofficial

Bill

Copy