

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1879

AN ACT

To repeal sections 30.270, 50.660, 50.783, 67.085, 95.530, 110.010, 110.080, 110.140, 165.221, 165.231, 165.241, and 165.271, RSMo, and to enact in lieu thereof thirteen new sections relating to financial transactions involving public entities, with existing penalty provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 30.270, 50.660, 50.783, 67.085, 95.530,
2 110.010, 110.080, 110.140, 165.221, 165.231, 165.241, and
3 165.271, RSMo, are repealed and thirteen new sections enacted in
4 lieu thereof, to be known as sections 30.270, 50.660, 50.783,
5 67.085, 95.530, 110.010, 110.080, 110.140, 165.221, 165.231,
6 165.241, 165.271, and 447.200, to read as follows:

7 30.270. 1. For the security of the moneys deposited by the
8 state treasurer pursuant to the provisions of this chapter, the
9 state treasurer shall, from time to time, submit a list of
10 acceptable securities to be approved by the governor and state
11 auditor if satisfactory to them, and the state treasurer shall
12 require of the selected and approved banks or financial

1 institutions as security for the safekeeping and payment of
2 deposits, securities from the list provided for in this section,
3 which list shall include only securities of the following kind
4 and character, unless it is determined by the state treasurer
5 that the use of such securities as collateral may place state
6 public funds at undue risk:

7 (1) Bonds or other obligations of the United States;

8 (2) Bonds or other obligations of the state of Missouri
9 including revenue bonds issued by state agencies or by state
10 authorities created by legislative enactment;

11 (3) Bonds or other obligations of any city in this state
12 having a population of not less than two thousand;

13 (4) Bonds or other obligations of any county in this state;

14 (5) Approved registered bonds or other obligations of any
15 school district, including certificates of participation and
16 leasehold revenue bonds, situated in this state;

17 (6) Approved registered bonds or other obligations of any
18 special road district in this state;

19 (7) State bonds or other obligations of any state;

20 (8) Notes, bonds, debentures or other similar obligations
21 issued by the farm credit banks or agricultural credit banks or
22 any other obligations issued pursuant to the provisions of an act
23 of the Congress of the United States known as the Farm Credit Act
24 of 1971, and acts amendatory thereto;

25 (9) Bonds of the federal home loan banks;

26 (10) Any bonds or other obligations guaranteed as to
27 payment of principal and interest by the government of the United
28 States or any agency or instrumentality thereof;

1 (11) Bonds of any political subdivision established
2 pursuant to the provisions of [Section 30] Sections 30(a) and
3 30(b), Article VI of the Constitution of Missouri;

4 (12) Tax anticipation notes issued by any county of the
5 first classification;

6 (13) A surety bond issued by an insurance company licensed
7 pursuant to the laws of the state of Missouri whose claims-paying
8 ability is rated in the highest category by at least one
9 nationally recognized statistical rating agency. The face amount
10 of such surety bond shall be at least equal to the portion of the
11 deposit to be secured by the surety bond;

12 (14) An irrevocable standby letter of credit issued by a
13 Federal Home Loan Bank;

14 (15) Out-of-state municipal bonds, including certificates
15 of participation and leasehold revenue bonds, provided such bonds
16 are rated in one of the four highest [category] rating categories
17 by at least one nationally recognized statistical rating agency;

18 (16) (a) Mortgage securities that are individual loans
19 that include negotiable promissory notes and the first lien deeds
20 of trust securing payment of such notes on one to four family
21 real estate, on commercial real estate, or on farm real estate
22 located in Missouri or states adjacent to Missouri, provided such
23 loans:

24 a. Are underwritten to conform to standards established by
25 the state treasurer, which are substantially similar to standards
26 established by the Federal Home Loan Bank of Des Moines, Iowa,
27 and any of its successors in interest that provide funding for
28 financial institutions in Missouri;

1 b. Are offered by a financial institution in which a senior
2 executive officer certifies under penalty of perjury that such
3 loans are compliant with the requirements of the Federal Home
4 Loan Bank of Des Moines, Iowa, when such loans are pledged by
5 such bank;

6 c. Are offered by a financial institution that is well
7 capitalized; and

8 d. Are not construction loans, are not more than ninety
9 days delinquent, have not been classified as substandard,
10 doubtful, or subject to loss, are one hundred percent owned by
11 the financial institution, are otherwise unencumbered and are not
12 being temporarily warehoused in the financial institution for
13 sale to a third party. Any disqualified mortgage securities
14 shall be removed as collateral within ninety days of
15 disqualification or the state treasurer may disqualify such
16 collateral as collateral for state funds;

17 (b) The state treasurer may promulgate regulations and
18 provide such other forms or agreements to ensure the state
19 maintains a first priority position on the deeds of trust and
20 otherwise protect and preserve state funds. Any rule or portion
21 of a rule, as that term is defined in section 536.010, that is
22 created under the authority delegated in this section shall
23 become effective only if it complies with and is subject to all
24 of the provisions of chapter 536 and, if applicable, section
25 536.028. This section and chapter 536 are nonseverable and if
26 any of the powers vested with the general assembly pursuant to
27 chapter 536 to review, to delay the effective date, or to
28 disapprove and annul a rule are subsequently held

1 unconstitutional, then the grant of rulemaking authority and any
2 rule proposed or adopted after August 28, 2005, shall be invalid
3 and void;

4 (c) A status report on all such mortgage securities shall
5 be provided to the state treasurer on a calendar monthly basis in
6 the manner and format prescribed by the state treasurer by the
7 financial institutions pledging such mortgage securities and also
8 shall certify their compliance with subsection 2 of this section
9 for such mortgage securities;

10 (d) In the alternative to paragraph (a) of this
11 subdivision, a financial institution may provide a blanket lien
12 on all loans secured by one to four family real estate, all loans
13 secured by commercial real estate, all loans secured by farm real
14 estate, or any combination of these categories, provided the
15 financial institution secures such blanket liens with real estate
16 located in Missouri and states adjacent to Missouri and otherwise
17 complies with paragraphs (b) and (c) of this subdivision;

18 (e) The provisions of paragraphs (a) to (d) of this
19 subdivision are not authorized for any Missouri political
20 subdivision, notwithstanding the provisions of chapter 110 to the
21 contrary;

22 (f) As used in this subdivision, the term "unencumbered"
23 shall mean mortgage securities pledged for state funds as
24 provided in subsection 1 of this section, and not subject to any
25 other express claims by any third parties, including but not
26 limited to a blanket lien on the bank assets by the Federal Home
27 Loan Bank, a depositary arrangement when securities are loaned
28 and repurchased daily or otherwise, or the depositary has pledged

1 its stock and assets for a loan to purchase another depository or
2 otherwise; and

3 (g) As used in this subdivision, the term "well
4 capitalized" shall mean a banking institution that according to
5 its most recent report of condition and income or thrift
6 financial report, publicly available as applicable, qualifies as
7 well capitalized under the uniform capital requirements
8 established by the federal banking regulators or as determined by
9 state banking regulators under substantially similar
10 requirements;

11 (17) Brokered or negotiable certificates of deposit that
12 are fully insured either by the Federal Deposit Insurance
13 Corporation or the National Credit Union Share Insurance Fund;
14 and

15 (18) Any investment that the state treasurer may invest in
16 as provided in Article IV, Section 15 of the Missouri
17 Constitution, and subject to the state treasurer's written
18 investment policy in section 30.260, that is not otherwise
19 provided for in this section, provided the banking institution or
20 eligible lending institution as defined in subdivision (10) of
21 section 30.750 is well capitalized, as defined in subdivision
22 (16) of this subsection. The provisions of this subdivision are
23 not authorized for political subdivisions, notwithstanding the
24 provisions of chapter 110 to the contrary.

25 2. Securities deposited shall be in an amount valued at
26 market equal at least to one hundred percent of the aggregate
27 amount on time deposit as well as on demand deposit with the
28 particular financial institution less the amount, if any, which

1 is insured either by the Federal Deposit Insurance Corporation or
2 by the National Credit [Unions] Union Share Insurance Fund.

3 Furthermore, for a well-capitalized banking institution,
4 securities authorized in this section that are:

5 (1) Mortgage securities on loans secured on one to four
6 family real estate appraised to reflect the market value at the
7 time of the loan and deposited as collateral shall not exceed one
8 hundred twenty-five percent of the aggregate amount of time
9 deposits and demand deposits;

10 (2) Mortgage securities on loans secured on commercial real
11 estate or on farm real estate appraised to reflect the market
12 value at the time of the loan and deposited as collateral shall
13 not exceed the collateral requirements of the Federal Home Loan
14 Bank of Des Moines, Iowa;

15 (3) United States Treasury securities and United States
16 Federal Agency debentures issued by Fannie Mae, Freddie Mac, the
17 Federal Home Loan Bank, or the Federal Farm Credit Bank valued at
18 market and deposited as collateral shall not exceed one hundred
19 five percent of the aggregate amount of time deposits and demand
20 deposits. All other securities, except as noted elsewhere in
21 this section, valued at market and deposited as collateral shall
22 not exceed one hundred fifteen percent of the aggregated amount
23 of the time deposits and demand deposits; and

24 (4) Securities that are surety bonds and letters of credit
25 authorized as collateral need only collateralize one hundred
26 percent of the aggregate amount of time deposits and demand
27 deposits.

28 3. The securities or book entry receipts shall be delivered

1 to the state treasurer and receipted for by the state treasurer
2 and retained by the treasurer or by financial institutions that
3 the governor, state auditor and treasurer agree upon. The state
4 treasurer shall from time to time inspect the securities and book
5 entry receipts and see that they are actually held by the state
6 treasury or by the financial institutions selected as the state
7 depositories. The governor and the state auditor may inspect or
8 request an accounting of the securities or book entry receipts,
9 and if in any case, or at any time, the securities are not
10 satisfactory security for deposits made as provided by law, they
11 may require additional security to be given that is satisfactory
12 to them.

13 4. Any securities deposited pursuant to this section may
14 from time to time be withdrawn and other securities described in
15 the list provided for in subsection 1 of this section may be
16 substituted in lieu of the withdrawn securities with the consent
17 of the treasurer; but a sufficient amount of securities to secure
18 the deposits shall always be held by the treasury or in the
19 selected depositories.

20 5. If a financial institution of deposit fails to pay a
21 deposit, or any part thereof, pursuant to the terms of its
22 contract with the state treasurer, the state treasurer shall
23 forthwith convert the securities into money and disburse the same
24 according to law.

25 6. Any financial institution making deposits of bonds with
26 the state treasurer pursuant to the provisions of this chapter
27 may cause the bonds to be endorsed or stamped as it deems proper,
28 so as to show that they are deposited as collateral and are not

1 transferable except upon the conditions of this chapter or upon
2 the release by the state treasurer.

3 50.660. [1.] All contracts shall be executed in the name
4 of the county, or in the name of a township in a county with a
5 township form of government, by the head of the department or
6 officer concerned, except contracts for the purchase of supplies,
7 materials, equipment or services other than personal made by the
8 officer in charge of purchasing in any county or township having
9 the officer. No contract or order imposing any financial
10 obligation on the county or township is binding on the county or
11 township unless it is in writing and unless there is a balance
12 otherwise unencumbered to the credit of the appropriation to
13 which it is to be charged and a cash balance otherwise
14 unencumbered in the treasury to the credit of the fund from which
15 payment is to be made, each sufficient to meet the obligation
16 incurred and unless the contract or order bears the certification
17 of the accounting officer so stating; except that in case of any
18 contract for public works or buildings to be paid for from bond
19 funds or from taxes levied for the purpose it is sufficient for
20 the accounting officer to certify that the bonds or taxes have
21 been authorized by vote of the people and that there is a
22 sufficient unencumbered amount of the bonds yet to be sold or of
23 the taxes levied and yet to be collected to meet the obligation
24 in case there is not a sufficient unencumbered cash balance in
25 the treasury. All contracts and purchases shall be let to the
26 lowest and best bidder after due opportunity for competition,
27 including advertising the proposed letting in a newspaper in the
28 county or township with a circulation of at least five hundred

1 copies per issue, if there is one, except that the advertising is
2 not required in case of contracts or purchases involving an
3 expenditure of less than six thousand dollars. It is not
4 necessary to obtain bids on any purchase in the amount of [four]
5 six thousand [five hundred] dollars or less made from any one
6 person, firm or corporation during any period of ninety days [or,
7 if the county is any county of the first classification with more
8 than one hundred fifty thousand but fewer than two hundred
9 thousand inhabitants or any county of the first classification
10 with more than two hundred sixty thousand but fewer than three
11 hundred thousand inhabitants, it is not necessary to obtain bids
12 on such purchases in the amount of six thousand dollars or less].
13 All bids for any contract or purchase may be rejected and new
14 bids advertised for. Contracts which provide that the person
15 contracting with the county or township shall, during the term of
16 the contract, furnish to the county or township at the price
17 therein specified the supplies, materials, equipment or services
18 other than personal therein described, in the quantities
19 required, and from time to time as ordered by the officer in
20 charge of purchasing during the term of the contract, need not
21 bear the certification of the accounting officer, as herein
22 provided; but all orders for supplies, materials, equipment or
23 services other than personal shall bear the certification. In
24 case of such contract, no financial obligation accrues against
25 the county or township until the supplies, materials, equipment
26 or services other than personal are so ordered and the
27 certificate furnished.

28 [2. Notwithstanding the provisions of subsection 1 of this

1 section to the contrary, advertising shall not be required in any
2 county in the case of contracts or purchases involving an
3 expenditure of less than six thousand dollars.]

4 50.783. 1. The county commission may waive the requirement
5 of competitive bids or proposals for supplies when the commission
6 has determined in writing and entered into the commission minutes
7 that there is only a single feasible source for the supplies.

8 Immediately upon discovering that other feasible sources exist,
9 the commission shall rescind the waiver and proceed to procure
10 the supplies through the competitive processes as described in
11 this chapter. A single feasible source exists when:

12 (1) Supplies are proprietary and only available from the
13 manufacturer or a single distributor; or

14 (2) Based on past procurement experience, it is determined
15 that only one distributor services the region in which the
16 supplies are needed; or

17 (3) Supplies are available at a discount from a single
18 distributor for a limited period of time.

19 2. On any single feasible source purchase where the
20 estimated expenditure is [three thousand dollars or] over six
21 thousand dollars, the commission shall post notice of the
22 proposed purchase[. Where the estimated expenditure is five
23 thousand dollars or over, The commission shall also] and
24 advertise the commission's intent to make such purchase in at
25 least one daily and one weekly newspaper of general circulation
26 in such places as are most likely to reach prospective bidders or
27 offerors and may provide such information through an electronic
28 medium available to the general public at least ten days before

1 the contract is to be let.

2 3. Notwithstanding subsection 2 of this section to the
3 contrary, on any single feasible service purchase by any county
4 of the first classification with more than one hundred fifty
5 thousand but fewer than two hundred thousand inhabitants or any
6 county of the first classification with more than two hundred
7 sixty thousand but fewer than three hundred thousand inhabitants
8 where the estimated expenditure is over six thousand dollars [or
9 over], the commission shall post notice of the proposed purchase
10 and advertise the commission's intent to make such purchase in at
11 least one daily and one weekly newspaper of general circulation
12 in such places as are most likely to reach prospective bidders or
13 offerors and may provide such information through an electronic
14 medium available to the general public at least ten days before
15 the contract is to be let.

16 67.085. Notwithstanding any law to the contrary, any
17 political subdivision of the state and any other public entity in
18 Missouri may invest funds of the public entity not immediately
19 needed for the purpose to which such funds or any of them may be
20 applicable provided each public entity meets the requirements for
21 separate deposit insurance of public funds permitted by federal
22 deposit insurance and in accordance with the following
23 conditions:

24 (1) The public funds are invested through a financial
25 institution which has been selected as a depository of the funds
26 in accordance with the applicable provisions of the statutes of
27 Missouri relating to the selection of depositories and such
28 financial institution enters into a written agreement with the

1 public entity;

2 (2) The selected financial institution arranges for the
3 deposit of the public funds in deposit accounts in one or more
4 financial institutions wherever located in the United States, for
5 the account of the public entity;

6 (3) Each such deposit account is insured by federal deposit
7 insurance for one hundred percent of the principal and accrued
8 interest of the deposit; and

9 (4) The selected financial institution acts as custodian
10 for the public entity with respect to such deposit accounts[; and

11 (5) On the same date that the public funds are deposited
12 under subdivision (2) of this section, the selected financial
13 institution receives an amount of deposits from customers of
14 other financial institutions equal to the amount of the public
15 funds initially invested by the public entity through the
16 selected financial institution].

17 95.530. In all cities not within a county, the mayor, the
18 comptroller and the treasurer shall constitute the funds
19 committee, and the treasurer, by virtue of his office, shall
20 serve as chairman of such committee. The committee shall
21 annually select a bank or banks, or trust company or trust
22 companies, or credit union or credit unions, savings and loan or
23 savings and loans, which has its principal place of business in
24 Missouri referred to hereafter as "listed institutions", for the
25 current deposit of the city's funds, which in their opinion will
26 be most commensurate with the safety thereof. The treasurer, as
27 chairman, shall supervise the business of the committee and
28 maintain records of committee proceedings, and shall call annual

1 meetings or any other meeting as often as the business of the
2 city may require. The treasurer shall be a member of any
3 financial planning or decision-making body or committee
4 furthering the needs of the city's financial business, except the
5 legislative and appropriating bodies. The treasurer, by virtue
6 of his office, shall sit on any committee or group which deals
7 with the issuance of bonds of the city or any agency or
8 instrumentality thereof. The treasurer shall serve as the chief
9 investment and cash management officer of the city and, as such,
10 act as the sole investment authority on any investments of public
11 funds held by the city or any instrumentality thereof, including
12 funds derived from proceeds from the issuance of bonds and funds
13 from proceeds from lease/purchase agreements. Such investments
14 shall be made in a manner consistent with investment policies
15 approved by the funds commission, and with judgment and care,
16 under circumstances then prevailing, which persons of prudence,
17 discretion and intelligence exercise in the management of their
18 own affairs, not for speculation, but for investment, considering
19 the probable safety of capital and income to be derived. The
20 treasurer shall ensure the safety of all funds held by the city
21 or any instrumentalities thereof and, upon the approval of the
22 funds commission and reasonable notice, may assume control of any
23 accounts not managed in compliance with state law, serve as the
24 custodian of any funds held in such accounts and take any other
25 measures reasonably required to ensure the preservation of public
26 funds and compliance with applicable law. The funds commission,
27 also known as the "funds committee", shall approve all financial
28 institutions for any banking services required by the city

1 pursuant to investment policies and evaluation criteria set by
2 the treasurer and approved by the funds commission. At least
3 once per year, the treasurer and the city's external auditors
4 shall report to the comptroller on the city's compliance with
5 this section. Any state or municipally created agency, citywide
6 elected officials or any instrumentality thereof working in
7 cooperation with the city in the collection, management,
8 investment or disbursement of governmental funds, shall annually
9 report a listing of all listed institution's accounts, including
10 a list of all pledged collateral, to the fund committee. Any
11 financial institution acting as a depository or custodian of
12 public funds for any state or municipally created agency,
13 citywide elected official or any instrumentality thereof working
14 in the collection, management, investment or disbursement of
15 governmental funds for a city located not within a county shall
16 annually report to the funds committee. Such agencies, elected
17 officials and instrumentalities shall, during the interim period,
18 report any change or transfer or establishment of new accounts or
19 changes in collateral to the fund committee within ten days of
20 doing so. Financial institutions, when requested by the funds
21 committee, shall verify such information. Before any deposit
22 shall be made by the treasurer in any listed institution, the
23 institution shall give a bond in an amount equal to the deposit,
24 with good and sufficient sureties, to be approved by the
25 unanimous vote of the members of the funds committee, for the
26 safekeeping and prompt payment of such funds, or any part
27 thereof, when demanded by the treasurer, and shall at all times
28 keep the sureties on such bond satisfactory to the funds

1 committee. In lieu of [or in addition to] such bond, listed
2 institutions may, with the unanimous consent of the members of
3 the funds committee, deposit with the treasurer of such city or
4 with some other mutually satisfactory depository [in such city,
5 in escrow, bonds or treasury certificates of the United States or
6 other interest-bearing obligations guaranteed as to both
7 principal and interest by the United States or agency or
8 instrumentality thereof in accordance with the approved]
9 collateral securities maintained and approved by the state
10 treasurer, or bonds of the state of Missouri or of any city not
11 within a county, authorized under section 30.270 and approved by
12 the state treasurer with respect to deposit and management of
13 state funds of a [par] value equal to the amount of such deposit,
14 or any part of such deposit not protected by [such bond] federal
15 deposit insurance. The securities so deposited shall, in case of
16 default by any such listed institution, be taken possession of by
17 the funds committee, and to the extent required to make good such
18 default, be sold for the benefit of such city. Any securities so
19 deposited may, with the unanimous consent of the members of the
20 funds committee, be withdrawn, and others of equal value and
21 amount substituted therefor. As the amount of such funds on
22 deposit is reduced, listed institutions, when not in default,
23 shall be permitted to withdraw the excess of collateral, except
24 that there shall at no time be a less amount in par value of
25 collateral than the amount at such time of deposits. The
26 securities so deposited or any substitute therefor, shall, upon
27 default, be exhausted before recourse shall be had against the
28 securities upon any bond executed by listed institutions for the

1 protection of such deposits. In lieu of or in addition to such
2 deposit of city funds in listed institutions, the treasurer may
3 invest funds belonging to such city and not immediately needed
4 for the purpose to which such funds or any of them may be
5 applicable, in accordance with Section 15, Article IV of the
6 Missouri Constitution. In addition, the treasurer may enter into
7 repurchase agreements maturing and becoming payable within ninety
8 days secured by United States Treasury obligations or obligations
9 of the United States government agencies or instrumentalities of
10 any maturity as provided by law.

11 110.010. 1. The public funds of every county, township,
12 city, town, village, school district of every character, road
13 district, sewer district, fire protection district, water supply
14 district, drainage or levee district, state hospital, state
15 schools for the mentally deficient, Missouri School for the Deaf,
16 Missouri School for the Blind, Missouri Training School for Boys,
17 training school for girls, Missouri Veterans' Home, Missouri
18 State Chest Hospital, state university, Missouri state teachers'
19 colleges, Lincoln University, or any other political subdivision
20 or agency of the state, which are deposited in any banking
21 institution acting as a legal depository of the funds under the
22 statutes of Missouri requiring the letting and deposit of the
23 same and the furnishing of security therefor, shall be secured by
24 the deposit of securities of the character prescribed by section
25 30.270 for the security of funds deposited by the state
26 treasurer.

27 2. The securities shall, at the option of the depository
28 banking institution, be delivered either to the fiscal officer or

1 the governing body of the municipal corporation or other
2 depositor of the funds, or by depositing the securities with
3 another banking institution or safe depositary as trustee
4 satisfactory to both parties to the depositary agreement. The
5 trustee may be a bank owned or controlled by the same bank
6 holding company as the depositary banking institution.

7 3. The rights and duties of the several parties to the
8 depositary contract shall be the same as those of the state and
9 the depositary banking institution respectively under section
10 30.270. If a depositary banking institution deposits the bonds or
11 securities with a trustee as above provided, and the municipal
12 corporation or other depositor of funds gives notice in writing
13 to the trustee that there has been a breach of the depositary
14 contract and makes demand in writing on the trustee for the
15 securities, or any part thereof, then the trustee shall forthwith
16 surrender to the municipal corporation or other depositor of
17 funds a sufficient amount of the securities to fully protect the
18 depositor from loss and the trustee shall thereby be discharged
19 of all further responsibility in respect to the securities so
20 surrendered.

21 4. Pursuant to an agreement with the banking institution
22 serving as a depositary for a public entity under this section,
23 public funds held in the custody of the depositary may be
24 invested in the obligations described in Section 15, Article IV
25 of the Missouri Constitution permitted for the state treasurer,
26 including repurchase agreements, provided the investments are
27 authorized in an investment policy adopted by the public entity,
28 treasurer, or other finance officer authorized to act for the

1 public entity.

2 110.080. 1. Any banking corporation, association or trust
3 company in the city desiring to bid shall deliver to the
4 secretary of the board on or before twelve o'clock noon on the
5 day of the meeting at which the depositary is to be selected a
6 sealed bid stating the rate of interest that it offers to pay on
7 the funds and moneys of the institution for the term of up to
8 four years next ensuing the date of the bid.

9 2. [Each bid shall be accompanied by a check in favor of
10 the institution on some solvent banking corporation, association,
11 or trust company in the city, duly certified, for not less than
12 one thousand dollars, as a guaranty of good faith on the part of
13 the bidder that if its bid is accepted by the board it will give
14 the security required by section 110.010.

15 3.] It is a misdemeanor for the secretary of the board to
16 directly or indirectly disclose the amount of any bid before the
17 selection of the depositary or depositaries.

18 110.140. 1. Any banking corporation or association in the
19 county desiring to bid shall deliver to the clerk of the
20 commission, on or before the first Monday of July at which the
21 selection of depositaries is to be made, a sealed proposal,
22 stating the rate of interest that the banking corporation, or
23 association offers to pay on the funds of the county for the term
24 of two or four years next ensuing the date of the bid, or, if the
25 selection is made for a less term than two or four years, as
26 provided in sections 110.180 and 110.190, then for the time
27 between the date of the bid and the next regular time for the
28 selection of depositaries as fixed by section 110.130.

1 2. [Each bid shall be accompanied by a certified check for
2 not less than two thousand five hundred dollars, as a guaranty of
3 good faith on the part of the bidder, that if his or her bid
4 should be the highest he or she will provide the security
5 required by section 110.010. Upon his or her failure to give the
6 security required by law, the amount of the certified check shall
7 go to the county as liquidated damages, and the commission may
8 order the county clerk to readvertise for bids.

9 3.] It shall be a misdemeanor, and punishable as such, for
10 the clerk of the commission, or any deputy of the clerk, to
11 directly or indirectly disclose the amount of any bid before the
12 selection of depositaries.

13 165.221. For the purpose of letting the funds the board
14 shall divide the funds into not less than two nor more than ten
15 equal parts. Each bidder may bid for any number of the parts,
16 but the bid for each part shall be separate. Any banking
17 institution in the county or in an adjoining county desiring to
18 bid shall deliver to the secretary of the board, on or before the
19 date selected for the acceptance of bids, a sealed bid, stating
20 the rate of interest, or method by which the interest will be
21 determined, that the banking institution offers to pay on one
22 part of the funds and moneys of the school district for the term
23 of one to five years, as the case may be, next ensuing the date
24 of the bid; or if the selection is made for a less term as
25 provided in sections 165.201 to 165.291, then for the time
26 between the date of the bid and the next regular time for the
27 selection of depositaries, as fixed by section 165.211. [Each
28 bid shall be accompanied by a check in favor of the school

1 district, on some solvent banking institution in the county or an
2 adjoining county, duly certified, for not less than two thousand
3 five hundred dollars, as a guaranty of good faith on the part of
4 the bidder that if any of its bids are accepted by the board it
5 will deposit the security required by law.] It is a misdemeanor
6 for the secretary of the board to directly or indirectly disclose
7 the amount of any bid before all bids are opened at a public
8 depository bid opening.

9 165.231. The school board or their designee in
10 seven-director districts, on the date selected for the acceptance
11 of bids, shall publicly open the bids and cause each bid to be
12 verbally read and documented. Following discussion and
13 clarification of bids with the financial institutions, the board
14 of education shall cause each bid to be entered upon the records
15 of the board and shall select from among the bidders, as
16 depositories of the funds and moneys of the school district,
17 those whose bids are accepted, and shall notify each of the
18 bidders so selected. The board may reject any and all bids. The
19 interest upon the funds and moneys shall be computed upon the
20 daily balances to the credit of the school district with each
21 depository and shall be payable by each depository on the first
22 day of each month to the treasurer of the school district, who
23 shall place the same to the credit of the district. Each
24 depository, by at least the fifth day of the current month, shall
25 render to the secretary of the board a statement, in writing,
26 showing the amount of interest paid by the depository. [The
27 secretary of the board shall return the certified checks
28 accompanying the bids to the banking institutions whose bids

1 which they accompanied were rejected and, upon the approval of
2 the security provided for in sections 110.010 and 110.020, return
3 the certified checks accompanying the accepted bids to the
4 banking institutions respectively, from which they were
5 received.]

6 165.241. [On or before ten days] After notice to any
7 depository of its selection, the depository shall deliver or
8 deposit securities in accordance with sections 110.010 and
9 110.020 and the securities if delivered to the fiscal officer of
10 the seven-director school district may be deposited for
11 safekeeping with any federal reserve bank located in this state
12 or with any banking institution located in the county and
13 approved by order of the school board entered of record on its
14 minutes. If at the time for selecting depositories it is
15 unlawful for banking institutions to pay interest upon demand
16 deposits the school board at its option either may select
17 depositories as provided by law or may enter into written
18 agreement with any or all depositories acting as such during the
19 preceding period for renewal and continuation of the depository
20 relationship for the ensuing period with power and authority to
21 renew and continue the same for successive periods thereafter,
22 subject however to termination as provided by law. The rights
23 and obligations of the parties and of any trustee joining in a
24 renewal agreement shall be deemed continuous throughout the
25 periods of the renewals. Each depository at all times shall
26 maintain the security in kind and amount required by sections
27 110.010 and 110.020 with right in the depository when not in
28 default to make substitutions thereof and to withdraw interest

1 coupons therefrom as they mature.

2 165.271. 1. As soon as the securities satisfactory to the
3 district are deposited [and approved by the board of a
4 seven-director district, an order shall be made designating], the
5 banking institution depositing the securities shall be deemed as
6 a depository of the part of the funds and moneys of the school
7 district of which it has been selected as the depository, until
8 the time fixed by sections 165.201 to 165.291 for another
9 selection. The treasurer of the school district immediately upon
10 the making of the order shall transfer to the depository the
11 parts of all funds and moneys belonging to the school district
12 that the depository is entitled to receive by virtue of its
13 designation.

14 2. In case any bonds, coupons or other indebtedness of the
15 district are payable, by the terms of the bonds, coupons or other
16 evidences of indebtedness, at any particular place outside the
17 district, nothing contained in sections 165.201 to 165.291 shall
18 prevent the board from causing the treasurer to place a
19 sufficient sum of money to meet the same at the place where the
20 debts are payable at the time of their maturity.

21 3. The treasurer of a seven-director district, as the funds
22 and moneys of the school district come into his hands from time
23 to time, shall deposit them with the depositories to the credit
24 of the school district, and at all times shall keep on deposit
25 with each depository approximately that proportion of all the
26 funds and moneys of the district for which the board accepted the
27 bid of the depository. If at any time the amount of funds and
28 moneys on deposit with any depository to the credit of the school

1 district is either more or less than the proportion thereof for
2 which the board accepted the bid of the depository, that fact
3 shall not impair or in any manner affect the liability of the
4 depository to faithfully perform all the duties and obligations
5 devolving by law upon the depository.

6 4. If any banking institution, after being selected as
7 depository and notified thereof, fails to deposit the security
8 within the time provided by section 165.241, [the certified check
9 accompanying the accepted bid of the banking institution shall be
10 forfeited to the school district as liquidated damages, and] the
11 board[, after twenty days' notice in the manner herein provided,]
12 shall take such action as it deems appropriate to safeguard
13 district funds, including deposit to another bank on an expedited
14 basis and shall proceed to receive new bids and select another
15 depository in lieu of the one failing to deposit the security.

16 447.200. 1. Whenever any consumer deposit account with a
17 banking organization or financial organization, as such terms are
18 defined in section 447.503, is determined to have been inactive
19 for a period of twelve or more months, and inactivity fees apply
20 to the account, such banking organization or financial
21 organization shall notify the person or depositor named on the
22 account of such inactivity through first class mail postage
23 prepaid marked "Address Correction Requested". Alternatively,
24 the notice may be sent electronically if the consumer has
25 consented to receiving electronic disclosures in accordance with
26 the federal Truth in Savings Act, 12 U.S.C. 44, and the
27 regulations promulgated pursuant thereto.

28 2. Notwithstanding any provision of law to the contrary,

1 for any consumer deposit account with a banking organization or
2 financial organization that has been inactive for twelve months
3 or more, such bank shall issue annual statements to the person or
4 depositor named on the account. The organization may charge a
5 service fee of up to five dollars for any statement issued under
6 this subsection, provided that such fee shall be withdrawn from
7 the inactive account.

8 3. Whenever any consumer deposit account with a banking
9 organization or financial organization is determined to have been
10 inactive for a period of five years, the funds from such account
11 shall be remitted to the abandoned fund account established under
12 section 447.543.

13 4. For purposes of this section, the word "inactive" means
14 a prescribed period during which there is no activity or contact
15 initiated by the person or depositor named on the account that
16 results in inactivity fees charged to the account.