

FIRST REGULAR SESSION

[P E R F E C T E D]

# SENATE BILL NO. 461

90TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR HOUSE.

Read 1st time February 17, 1999, and 1,000 copies ordered printed.

Read 2nd time February 22, 1999, and referred to the Committee on Education.

Reported from the Committee March 11, 1999, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 25, 1999. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

S1924.02P

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## AN ACT

To repeal section 164.161, RSMo 1994, and section 165.051, RSMo Supp. 1998, relating to school funds, and to enact in lieu thereof two new sections relating to the same subject.

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

Section A. Section 164.161, RSMo 1994, and section 165.051, RSMo Supp. 1998, are repealed and two new sections enacted in lieu thereof, to be known as sections 164.161 and 165.051, to read as follows:

164.161. [1.] The loans authorized by sections 164.121 to 164.141 shall not be contracted for a longer period than twenty years, and the entire amount of the loans shall at no time exceed, including the present indebtedness of the district, in the aggregate **[ten] fifteen** percent of the value of taxable tangible property therein as shown by the last completed assessment for state and county purposes. The rate of interest upon the bonds shall, in no case, exceed the highest legal rate allowed by contract. Before or at the time of issuing the bonds, the board of directors shall provide for the collection of an annual tax sufficient to pay the interest and principal of the bonds as they fall due, and to retire them within twenty years from date contracted.

[2. Bonds of an urban district shall be disposed of at the best price obtainable, not less than ninety-five percent of the par value thereof.]

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

165.051. If any school district has money in the teachers', incidental, capital projects or debt service fund not needed within a reasonable period of time for the purpose for which the money was received, the school board in the district, if it deems it advisable, may invest the funds in either open time deposits or certificates of deposit secured under the provisions of sections 110.010 and 110.020, RSMo; or in bonds, redeemable at maturity at par, of the state of Missouri, of the United States, or of any wholly owned corporation of the United States; or in other short term obligations of the United States, [including] or in any instrument permitted by law for the investment of state moneys. No open time deposits shall be made or bonds purchased to mature beyond the date that the funds are needed for the purpose for which they were received by the school district. Interest accruing from the investment of the surplus funds in such deposits or bonds shall be credited to the fund from which the money was invested.

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