

SECOND REGULAR SESSION

# HOUSE BILL NO. 1400

## 96TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVES RICHARDSON (Sponsor), CRAWFORD, HAMPTON, BARNES,  
JONES (117), HOUGHTON, SCHATZ, BRANDOM AND LICHTENEGGER (Co-sponsors).

4238L.011

D. ADAM CRUMBLISS, Chief Clerk

---

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Section A. Section 67.085, RSMo, is repealed and one new section enacted in lieu  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

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

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

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

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

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 (4) The selected financial institution acts as custodian for the public entity with respect  
17 to [the certificate of] **such** deposit [issued for its account] **accounts**; and

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

✓