

SECOND REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 128

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE O'DONNELL.

5445H.011

DANA RADEMAN MILLER, Chief Clerk

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing Section 15 of Article IV of the Constitution of Missouri, and adopting one new section in lieu thereof relating to the state treasurer's ability to invest.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next
2 following the first Monday in November, 2022, or at a special election to be called by the
3 governor for that purpose, there is hereby submitted to the qualified voters of this state, for
4 adoption or rejection, the following amendment to Article IV of the Constitution of the state
5 of Missouri:

Section A. Section 15, Article IV, Constitution of Missouri, is repealed and one new
2 section adopted in lieu thereof, to be known as Section 15, to read as follows:

Section 15. The state treasurer shall be custodian of all state funds and funds received
2 from the United States government. The department of revenue shall take custody of and
3 invest nonstate funds as defined herein, and other moneys authorized to be held by the
4 department of revenue. All revenue collected and moneys received by the state which are
5 state funds or funds received from the United States government shall go promptly into the
6 state treasury. All revenue collected and moneys received by the department of revenue
7 which are nonstate funds as defined herein shall be promptly credited to the fund provided by
8 law for that type of money. Immediately upon receipt of state or United States funds the state
9 treasurer shall deposit all moneys in the state treasury in banking institutions selected by him

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.

10 and approved by the governor and state auditor, and he shall hold them for the benefit of the
11 respective funds to which they belong and disburse them as provided by law. Unless
12 otherwise provided by law, all interest received on nonstate funds shall be credited to such
13 funds. The state treasurer shall determine by the exercise of his best judgment the amount of
14 moneys in his custody that are not needed for current expenses and shall place all such
15 moneys on time deposit, bearing interest, in banking institutions in this state selected by the
16 state treasurer and approved by the governor and state auditor or in obligations of the United
17 States government or any agency or instrumentality thereof maturing and becoming payable
18 not more than [~~five~~] **seven** years from the date of purchase. In addition the treasurer may
19 enter into repurchase agreements maturing and becoming payable within ninety days secured
20 by United States Treasury obligations or obligations of United States government agencies or
21 instrumentalities of any maturity, as provided by law. The treasurer may also invest in
22 banker's acceptances issued by domestic commercial banks possessing the highest rating
23 issued by a nationally recognized rating agency and in commercial paper issued by domestic
24 corporations which has received the highest rating issued by a nationally recognized rating
25 agency. **The treasurer may also invest in municipal securities possessing one of the five**
26 **highest long term ratings or the highest short term rating issued by a nationally**
27 **recognized rating agency and maturing and becoming payable not more than five years**
28 **from the date of purchase. The treasurer may also invest in other reasonable and**
29 **prudent financial instruments and securities as otherwise provided by law.** Investments
30 in banker's acceptances and commercial paper shall mature and become payable not more
31 than one hundred eighty days from the date of purchase, maintain the highest rating
32 throughout the duration of the investment and meet any other requirements provided by law.
33 The state treasurer shall prepare, maintain and adhere to a written investment policy which
34 shall include an asset allocation plan limiting the total amount of state money which may be
35 invested in each investment category authorized by this section. The investment and deposit
36 of state, United States and nonstate funds shall be subject to such restrictions and
37 requirements as may be prescribed by law. Banking institutions in which state and United
38 States funds are deposited by the state treasurer shall give security satisfactory to the
39 governor, state auditor and state treasurer for the safekeeping and payment of the deposits and
40 interest thereon pursuant to deposit agreements made with the state treasurer pursuant to law.
41 No duty shall be imposed on the state treasurer by law which is not related to the receipt,
42 investment, custody and disbursement of state funds and funds received from the United
43 States government. As used in the section, the term "banking institutions" shall include
44 banks, trust companies, savings and loan associations, credit unions, production credit
45 associations authorized by act of the United States Congress, and other financial institutions
46 which are authorized by law to accept funds for deposit or which in the case of production

47 credit associations, issues securities. As used in this section, the term "nonstate funds" shall
48 include all taxes and fees imposed by political subdivisions and collected by the department
49 of revenue; all taxes which are imposed by the state, collected by the department of revenue
50 and distributed by the department of revenue to political subdivisions; and all other moneys
51 which are hereafter designated as "nonstate funds" to be administered by the department of
52 revenue.

Section B. Pursuant to chapter 116, and other applicable constitutional provisions and
2 laws of this state allowing the general assembly to adopt ballot language for the submission of
3 this joint resolution to the voters of this state, the official summary statement of this
4 resolution shall be as follows:

5 "Shall the Missouri Constitution be amended to:

6 Allow state investments in the highest rated municipal securities and obligations of
7 the United States government maturing not more than seven years from the date of purchase;
8 and

9 Allow the state treasurer to invest in other reasonable and prudent financial
10 instruments as provided by law?".

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