HOUSE JOINT RESOLUTION NO. 35

101ST GENERAL ASSEMBLY

0587H.03T   2021

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 of
5 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Section A. Section 15, Article IV, Constitution of Missouri, is repealed and one new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 invest
3 nonstate funds as defined herein, and other moneys authorized to be held by the department of
4 revenue. All revenue collected and moneys received by the state which are state funds or funds
5 received from the United States government shall go promptly into the state treasury. All
6 revenue collected and moneys received by the department of revenue which are nonstate funds
7 as defined herein shall be promptly credited to the fund provided by law for that type of money.
8 Immediately upon receipt of state or United States funds the state treasurer shall deposit all
9 moneys in the state treasury in banking institutions selected by him and approved by the governor
10 and state auditor, and he shall hold them for the benefit of the respective funds to which they

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.

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

47 department of revenue; all taxes which are imposed by the state, collected by the department of
48 revenue and distributed by the department of revenue to political subdivisions; and all other
49 moneys which are hereafter designated as "nonstate funds" to be administered by the department
50 of revenue.

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