

SECOND REGULAR SESSION

[TRULY AGREED TO AND FINALLY PASSED]

HOUSE BILL NO. 1398

92ND GENERAL ASSEMBLY

4363L.01T

2004

AN ACT

To repeal sections 95.280 and 95.285, RSMo, and to enact in lieu thereof two new sections relating to depositories for city funds, with penalty provisions.

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

Section A. Sections 95.280 and 95.285, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 95.280 and 95.285, to read as follows:

95.280. 1. Subject to the provisions of section 110.030, RSMo, the city council, at its regular meetings in July of each year, may receive sealed proposals for the deposit of the city funds from banking institutions doing business within the city that desire to be selected as the depository of the funds of the city. Notice that bids will be received shall be published by the city clerk not less than one nor more than four weeks before the meeting, in some newspaper published in the city. Any banking institution doing business in the city, desiring to bid, shall deliver to the city clerk, on or before the day of the meeting, a sealed proposal stating the rate percent upon daily balances that the banking institution offers to pay to the city for the privilege of being the depository of the funds of the city for the year next ensuing the date of the meeting; or, in the event that the selection is made for a less term than one year, as herein provided, then for the time between the date of the bid and the next regular time for the selection of a depository. It is a misdemeanor for the city clerk or other person to disclose directly or indirectly the amount of any bid to any person before the selection of the depository.

2. Notwithstanding the provisions of subsection 1 of this section to the contrary, the city council of any third class city with a population of more than fifteen thousand and less than nineteen thousand that is located in any county of the fourth classification with a population of more than forty thousand and less than forty-eight thousand three hundred, **or of any city of the third classification with more than ten thousand five hundred but less than ten thousand six hundred inhabitants** may receive sealed proposals for the deposit of city funds from banking institutions doing business within the city at any of the regular meetings of such city.

21 The city shall send notice of bids to each banking institution in the city by regular mail at the
22 time the notice is published in the newspaper in subsection 1 of this section. The banking
23 institution selected as the depository shall be offered a depository contract for a maximum of two
24 years. Any such city shall follow the bid procedure established in subsection 1 of this section,
25 except as otherwise provided in this subsection.

95.285. **1. Except as provided in subsection 2 of this section,** upon the opening of the
2 sealed proposals submitted, the city council shall select as the depository of the funds of the city
3 the banking institution offering to pay to the city the largest amount for the privilege; except that
4 the council may reject any or all bids. Within five days after the selection of the depository, the
5 banking institution selected shall deposit the securities as required by sections 110.010 and
6 110.020, RSMo. The rights and duties of the parties to the depository contract are as provided
7 in section 110.010, **RSMo.**

8 **2. Notwithstanding any provision of section 95.280 or this section to the contrary,**
9 **the contract term for any city of the third classification with more than ten thousand five**
10 **hundred but less than ten thousand six hundred inhabitants shall begin on the first day of**
11 **August following the receipt of the bid proposals.**