

BANKS
STATE FUNDS
STATE TREASURER

March 5, 1964

Opinion No. 99 Answered by Letter
(Eichhorst)

Honorable Milton Carpenter
State Treasurer
State Capitol
Jefferson City, Missouri



Dear Mr. Carpenter:

This is in answer to the following question:

"If a Missouri Bank has \$10,000.00 Federal Deposit Insurance Corporation Coverage should they be requested to post additional collateral to secure State funds in a Time Deposit - Open Account in the amount of \$10,000.00."

Section 30.270, RSMo 1959 requires security for state deposits "of an amount equal at least to one hundred and ten per cent of the aggregate amount on" deposit, "less the amount, if any, which is an insured deposit" under FDIC. On a deposit of \$10,000.00, you would subtract the maximum FDIC amount which is also \$10,000.00, leaving nothing on which the 110% requirement would apply.

In fact, in 1957, Senate Bill 29 (Laws, 1957, p. 484, §1) removed the five thousand dollar limit, the previous amount of maximum FDIC insured deposits, and inserted general language which would allow the present maximum amount of FDIC insured deposits to be subtracted from the amount upon which the 110% security requirement would operate.

Yours very truly,

THOMAS F. EAGLETON
Attorney General

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