

12C.1 Deposits in general — definitions.

1. All funds held by the following officers or institutions shall be deposited in one or more depositories first approved by the appropriate governing body as indicated: for the treasurer of state, by the executive council; for judicial officers and court employees, by the supreme court; for the county treasurer, recorder, auditor, and sheriff, by the board of supervisors; for the city treasurer or other designated financial officer of a city, by the city council; for the county public hospital or merged area hospital, by the board of hospital trustees; for a memorial hospital, by the memorial hospital commission; for a school corporation, by the board of school directors; for a city utility or combined utility system established under [chapter 388](#), by the utility board; and for an electric power agency as defined in [section 28F.2](#) or [390.9](#), by the governing body of the electric power agency. However, the treasurer of state and the treasurer of each political subdivision or the designated financial officer of a city shall invest all funds not needed for current operating expenses in time certificates of deposit in approved depositories pursuant to [this chapter](#) or in investments permitted by [section 12B.10](#). The list of public depositories and the amounts severally deposited in the depositories are matters of public record. [This subsection](#) does not limit the definition of “public funds” contained in [subsection 2](#). Notwithstanding provisions of [this section](#) to the contrary, public funds of a state government deferred compensation plan established by the executive council may also be invested in the investment products authorized under [section 509A.12](#).

2. As used in [this chapter](#) unless the context otherwise requires:

a. “*Bank*” means a corporation or limited liability company engaged in the business of banking and organized under the laws of this state, another state, or the United States. “*Bank*” also means a savings and loan, savings association, or savings bank organized under the laws of another state or the United States.

b. “*Credit union*” means a cooperative, nonprofit association incorporated under [chapter 533](#) or the federal Credit Union Act, 12 U.S.C. §1751 et seq., and that is insured by the national credit union administration and includes an office of a credit union.

c. “*Depository*” means a bank or a credit union in which public funds are deposited under [this chapter](#).

d. “*Financial institution*” means a bank or a credit union.

e. “*Public funds*” and “*public deposits*” mean any of the following:

(1) The moneys of the state or a political subdivision or instrumentality of the state including a county, school corporation, special district, drainage district, unincorporated town or township, municipality, or municipal corporation or any agency, board, or commission of the state or a political subdivision. Moneys of the state include moneys which are transmitted to a depository for purposes of completing an electronic financial transaction pursuant to [section 159.35](#).

(2) The moneys of any court or public body noted in [subsection 1](#).

(3) The moneys of a legal or administrative entity created pursuant to [chapter 28E](#).

(4) The moneys of an electric power agency as defined in [section 28F.2](#) or [390.9](#).

(5) Federal and state grant moneys of a quasi-public state entity that are placed in a depository pursuant to [this chapter](#).

(6) Moneys placed in a depository for the purpose of completing an electronic financial transaction pursuant to [section 8B.32](#) or [331.427](#).

f. “*Public officer*” means the person authorized by and acting for a public body to deposit public funds of the public body.

g. “*Superintendent*” means the superintendent of banking of this state when the depository is a bank, and the superintendent of credit unions of this state when the depository is a credit union.

h. “*Uninsured public funds*” means any amount of public funds of a public funds depositor on deposit in an account at a financial institution that exceeds the amount of public funds in that account that are insured by the federal deposit insurance corporation or the national credit union administration.

3. A deposit of public funds in a depository pursuant to [this chapter](#) shall be secured as follows:

a. If a depository is a credit union, then public deposits in the credit union shall be secured pursuant to [sections 12C.16 through 12C.19](#) and [sections 12C.23 and 12C.24](#).

b. If a depository is a bank, public deposits in the bank shall be secured pursuant to [sections 12C.23A and 12C.24](#).

4. Ambiguities in the application of [this section](#) shall be resolved in favor of preventing the loss of public funds on deposit in a depository.

[C24, 27, §139, 4319, 5548, 5651, 7404; C31, 35, §7420-d1; C39, **§7420.01**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, S81, §453.1; [81 Acts, ch 148, §1](#); [82 Acts, ch 1202, §1](#)]

[83 Acts, ch 97, §1, 3](#); [83 Acts, ch 186, §1014, 10201](#); [84 Acts, ch 1230, §5](#); [85 Acts, ch 194, §2](#); [89 Acts, ch 39, §12](#); [92 Acts, ch 1156, §20 – 22](#)

C93, §12C.1

[93 Acts, ch 48, §3](#); [97 Acts, ch 185, §5](#); [99 Acts, ch 117, §1 – 4, 15](#); [99 Acts, ch 208, §42, 74](#); [2001 Acts, ch 158, §4](#); [2001 Acts, 1st Ex, ch 4, §1, 2, 36](#); [2002 Acts, ch 1096, §1, 2, 17](#); [2003 Acts, ch 18, §1](#); [2003 Acts, ch 48, §1](#); [2003 Acts, ch 179, §58, 84](#); [2010 Acts, ch 1018, §1, 2](#); [2010 Acts, ch 1028, §1, 2, 14](#); [2011 Acts, ch 132, §39, 106](#); [2012 Acts, ch 1017, §36](#); [2013 Acts, ch 129, §26](#)

Referred to in [§12B.10](#), [§12B.10A](#), [§12B.10C](#), [§12C.7](#), [§12C.8](#), [§12E.2](#), [§176A.8](#), [§179.1](#), [§181.1](#), [§183A.1](#), [§184.1](#), [§184A.1](#), [§185.1](#), [§185C.1](#), [§350.6](#), [§468.528](#), [§602.8102\(64\)](#), [§633D.2](#), [§654.17C](#)