

12C.1 Deposits in general — definitions.

1. *a.* 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:

- (1) For the treasurer of state, by the executive council.
- (2) For judicial officers and court employees, by the supreme court.
- (3) For the county treasurer, recorder, auditor, and sheriff, by the board of supervisors.
- (4) For the city treasurer or other designated financial officer of a city, by the city council.
- (5) For the county public hospital or merged area hospital, by the board of hospital trustees.
- (6) For a memorial hospital, by the memorial hospital commission.
- (7) For a school corporation, by the board of school directors.
- (8) For a city utility or combined utility system established under [chapter 388](#), by the utility board.
- (9) For an electric power agency as defined in [section 28F.2](#) or [390.9](#), by the governing body of the electric power agency.

b. 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.

c. [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; 2019 Acts, ch 24, §5

Referred to in §12B.10, 12B.10A, 12B.10C, 12C.7, 12C.8, 12E.2, 16.45, 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

Subsection 1 amended