



LAWS OF ALASKA

1972

Source

Chapter No.

SB 385 am FCC

112

AN ACT

Relating to the investment of surplus retirement fund money; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 14.25.180(b) is amended to read:

(b) When, in the opinion of the commissioner of administration, there is on hand in the retirement fund a surplus over and above a reasonably safe amount to take care of current demands upon the fund, the surplus or so much of it as in the judgment of the commissioner of administration is considered proper may be invested by the commissioner of revenue in (1) bonds or other interest-bearing obligations and securities of the United States or an agency of the United States, a state of the United States, if the political subdivision has a population as shown by the last federal census preceding the investment of no less than 30,000 inhabitants, except no population limitation applies to a political subdivision of this state; (2) first lien real estate mortgage securities insured by the Federal Housing Administration under the National Housing Act of the United States, or held by the Department of Commerce, or the Department of Natural Resources; (3) corporation bonds, and preferred and common stocks as the commissioner of revenue considers proper investments for the funds; (4) shares of federally chartered savings and loan associations in Alaska, to the extent that the investment is insured by the federal government or by an agency of the federal government; (5) deposits with mutual savings banks in Alaska, to the extent that the investment is insured by the federal government or an agency of the federal government; (6) deposits with state and national banks in Alaska to the extent that the investment is insured by the federal government or an agency of the federal government; (7) loans guaranteed by the division of veterans' affairs under

AS 26.15.040(b); (8) [deleted] and (9) the guaranteed portion of Small Business Administration loans. No more than 25 per cent of the surplus may be invested in mortgage securities of the Department of Commerce, and the state shall appropriate sufficient money from the general fund to reimburse the teachers' retirement system for any losses incurred as a result of failure of the obligors to pay on the notes. No more than \$400,000 of the surplus may be invested annually in the mortgage securities of the Department of Natural Resources, and the state shall appropriate sufficient money from the general fund to reimburse the teachers' retirement system for any losses incurred as a result of failure of the obligors to pay on the notes.

* Sec. 2. AS 39.35.110(a) is amended by adding a new paragraph to read:

(9) the guaranteed portion of Small Business Administration loans.

* Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.