

1 IN THE HOUSE

BY RESOURCES COMMITTEE

2

HOUSE BILL NO. 387

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

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SECOND LEGISLATURE - SECOND SESSION

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A BILL

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For an Act entitled: "An Act relating to the investment of the
7 funds of the Public Employees' Retirement
8 System; amending Subsec. a, Sec. 37, Ch.
9 143, SLA 1960, as amended by Ch. 129, SLA
10 1961; and providing for an effective date."

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

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Section 1. Subsec. a, Sec. 37, Ch. 143, SLA 1960, as
13 amended by Sec. 1, Ch. 129, SLA 1961, is amended to read:

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a. Whenever, in the opinion of the Commissioner of
Administration, there is on hand in the pension fund a
surplus over and above a reasonably safe amount to take
care of current demands upon such fund, such surplus, or so
much thereof as in the judgment of the Commissioner of
Administration is deemed proper, may be invested by the
Commissioner of Revenue in (1) bonds or other interest
bearing obligations and securities of the United States or
any state thereof or of any political subdivision of any
state of the United States, provided such political sub-
division has a population as shown by the last federal
census preceding such investment of not less than 30,000
inhabitants, except with respect to political subdivisions
located in the State of Alaska no population limitation
shall apply, (2) first lien real estate mortgage securities
insured by the Federal Housing Administration under the

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National Housing Act of the United States, or held by the Division of Veterans' Affairs under Section 44-2-13, ACLA 1949, as amended from time to time, [AND] (3) in such corporation bonds, preferred and common stocks as the Commissioner of Revenue may deem to be proper investments for said fund, and (4) first lien real estate mortgages held by the Agricultural Loan Board. No more than ten per cent (10%) of said surplus may be invested in said mortgage securities of the Division of Veterans' Affairs, and the state shall appropriate sufficient monies from the general fund to make good any losses as a result of failure of the obligees to pay on the notes.

Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.