

Introduced: 5/25/64
Referred: Health, Welfare
& Education and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 451

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to investments of retire-
7 ment funds in the Teacher's Retirement Sys-
8 tem; and providing for an effective date."

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

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

11 (b) When, in the opinion of the commissioner of admin-
12 istration, there is on hand in the retirement fund a surplus
13 over and above a reasonably safe amount to take care of cur-
14 rent demands upon the fund, the surplus or so much of it as
15 in the judgment of the commissioner of administration is
16 considered proper may be invested by the commissioner of
17 revenue in (1) bonds or other interest-bearing obligations
18 and securities of the United States, or an agency of the
19 United States, a state of the United States, or a political
20 subdivision of any state of the United States, if the polit-
21 ical subdivision has a population as shown by the last
22 federal census preceding the investment of not less than
23 30,000 inhabitants, except no population limitation applies
24 to a political subdivision of this state; (2) first lien
25 real estate mortgage securities insured by the Federal
26 Housing Administration under the National Housing Act of the
27 United States, or held by the Department of Commerce; (3)
28 corporation bonds, and preferred and common stocks as the
29 commissioner of revenue considers proper investments for the

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fund; (4) shares of federally chartered savings and loan associations within 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[.]; and (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.

Not more than 15 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 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.