

Introduced: 2/29/68
Referred: Commerce
and Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 380

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the investment of certain retire-
7 ment funds in mutual funds."

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

9 * Section 1. AS 14.25.180(b) is amended by adding a new paragraph to
10 read:

11 (7) mutual funds.

12 * Sec. 2. AS 14.25.180(c) is amended to read:

13 (c) In making investments the commissioner of revenue shall
14 exercise the judgment and care under the circumstances then prevail-
15 ing which men of ordinary prudence, discretion, and intelligence
16 exercise in the management of their own affairs not in regard to
17 speculation but in regard to the permanent disposition of their funds,
18 considering the probable income therefrom as well as the probable
19 safety of their capital. However, no more than 50 per cent of the
20 retirement fund may be invested at any given time in mutual funds and
21 corporate stocks and bonds, nor may more than five per cent of the
22 voting stock of any corporation be owned. Stocks eligible for pur-
23 chase are restricted to stocks which, except for bank stocks and
24 insurance stocks, are listed upon an exchange registered with the
25 Federal Securities and Exchange Commission.

26 * Sec. 3. AS 39.35.110(a) is amended by adding a new paragraph to read:

27 (8) mutual funds.

28 * Sec. 4. AS 39.35.110(c) is amended to read:

29 (c) In making investments the commissioner of revenue shall

1 exercise the judgment and care under the circumstances then prevailing
2 which a man of ordinary prudence, discretion, and intelligence ex-
3 ercises in the management of his own affairs not in regard to specula-
4 tion but in regard to the permanent disposition of his funds,
5 considering the probable income from them as well as the probable
6 safety of his capital. However, no more than 50 per cent of the
7 pension fund may be invested at a given time in mutual funds and
8 corporate stocks and bonds, nor may more than one per cent of the
9 pension fund be invested in securities issued by one corporation, nor
10 any more than five per cent of the voting stock of one corporation be
11 owned. Stocks eligible for purchase are restricted to stocks which,
12 except for bank stocks and insurance stocks, are listed upon an ex-
13 change registered with the Federal Securities and Exchange
14 Commission.
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