

Original sponsor: Commerce Committee

Offered: 3/26/68  
Referred: Rules

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 CS FOR 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 exer-  
14 cise the judgment and care under the circumstances then prevailing  
15 which men of ordinary prudence, discretion, and intelligence exercise  
16 in the management of their own affairs not in regard to speculation  
17 but in regard to the permanent disposition of their funds, considering  
18 the probable income therefrom as well as the probable safety of their  
19 capital. However, no more than 50 per cent of the retirement fund may  
20 be invested at any given time in mutual funds and corporate stocks and  
21 bonds, nor may more than five per cent of the voting stock of any  
22 corporation be owned. Stocks eligible for purchase are restricted to  
23 stocks which, except for bank stocks, [AKD] insurance stocks and shares  
24 in mutual funds, are listed upon an exchange registered with the  
25 Federal Securities and Exchange Commission.

26 \* Sec. 3. AS 39.35.110(e) is amended by adding a new paragraph to read:  
27 (C) mutual funds.

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

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

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exercise the judgment and care under the circumstances then prevailing which a man of ordinary prudence, discretion, and intelligence exercises in the management of his own affairs not in regard to speculation but in regard to the permanent disposition of his funds, considering the probable income from them as well as the probable safety of his capital. However, no more than 50 per cent of the pension fund may be invested at a given time in mutual funds and corporate stocks and bonds, nor may more than five per cent of the voting stock of any corporation be owned [NOR ANY MORE THAN FIVE PER CENT OF THE VOTING STOCK OF ONE CORPORATION BE OWNED]. Stocks eligible for purchase are restricted to stocks which, except for bank stocks, [AND] insurance stocks, and shares in mutual funds, are listed upon an exchange registered with the Federal Securities and Exchange Commission.