

Introduced: 3/3/78
Referred: Finance

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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HOUSE CONCURRENT RESOLUTION NO. 111

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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TENTH LEGISLATURE - SECOND SESSION

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Requesting a study of state investment

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in obligations held as security for loans.

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

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WHEREAS the commissioner of revenue is directed by various statutes to

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invest state surplus funds in obligations held as security loans made under

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certain state loan programs; and

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WHEREAS the purchase of these obligations is mandatory so that effective

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review of the impact of a purchase on the state investment program is

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effectively precluded; and

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WHEREAS no appropriation is required before purchase of these obligations

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so that annual review of the scope of the loan programs is not assured; and

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WHEREAS there has not been a comprehensive study of the effect of manda-

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tory purchase of obligations issued by state loan programs on the investment

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program of the state, the present and future effect on the state budget from

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possible distortions of liquidity or soundness of investment, or on the opera-

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tion of the loan programs; and

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WHEREAS the commissioner of revenue would be the appropriate person to

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conduct a comprehensive study of these effects;

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BE IT RESOLVED by the Alaska State Legislature that the Governor is

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respectfully requested to direct the commissioner of revenue to conduct a

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comprehensive study of the effect of requiring by law that investments be

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made from state surplus funds in obligations held as security for loans made

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under state loan programs and submit the study and recommendations, if any,

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resulting from the study to the Governor and the legislature through the Le-

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gislative Council before September 1, 1978.

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