

Original sponsor(s): Transportation Committee

1 IN THE SENATE BY THE LABOR & COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 551 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the investments of financial
7 institutions; and providing for an effective date."

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

9 * Section 1. AS 06.05.270(a) is amended to read:

10 (a) In addition to loans and acquisitions expressly authorized
11 by this chapter, a state bank may deal in, underwrite, and invest in
12 for its own account

13 (1) direct or guaranteed obligations of the United States,
14 either directly or in the form of securities of, or other interests
15 in, an open-end management type investment company or investment trust
16 registered under 15 U.S.C. 80a-1 - 80a-64 (Investment Company Act of
17 1940), if

18 (A) the portfolio of the investment company or invest-
19 ment trust is limited to obligations of the United States govern-
20 ment and repurchase agreements fully collateralized by the obli-
21 gations; and

22 (B) the investment company or investment trust takes
23 delivery of the collateral directly or through an authorized
24 custodian;

25 (2) general obligations of the State of Alaska and its
26 political subdivisions;

27 (3) general obligations of a state of the United States or
28 its political subdivisions;

29 (4) revenue obligations of the State of Alaska or its

1 political subdivisions subject to the limitation of (b) of this sec-
2 tion;

3 (5) revenue obligations of a state of the United States or
4 its political subdivisions subject to the limitation of (b) of this
5 section;

6 (6) obligations of instrumentalities of the United States
7 government including, but not limited to Federal Intermediate Credit
8 Banks, Federal Land Banks, the Federal National Mortgage Association,
9 and Banks for Cooperatives;

10 (7) commercial paper of prime or equivalent quality as
11 rated by a recognized national rating service subject to the limita-
12 tion of (b) of this section;

13 (8) secured corporate obligations rated within the three
14 highest grades of a national rating service subject to the limitation
15 of (b) of this section;

16 (9) obligations of the International Bank for Reconstruc-
17 tion and Development, the Inter-American Development Bank, or the
18 African Development Bank, subject to the limitation of (b) of this
19 section;

20 (10) stock in the Federal National Mortgage Association,
21 [OR] a Federal Reserve Bank, or a Federal Home Loan Bank.

22 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).