



LAWS OF ALASKA

1996

Source
HB 525

Chapter No.
104

AN ACT

Designating certain permissible investments by the Alaska Permanent Fund Corporation in taxable municipal or state debt securities and corporate debt securities; changing the allocation limits on domestic and nondomestic government and corporate securities, nondomestic corporate promissory notes, domestic and nondomestic corporate stocks, and taxable government debt securities; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 25, 1996
Actual Effective Date: June 26, 1996

AN ACT

1 Designating certain permissible investments by the Alaska Permanent Fund Corporation in
2 taxable municipal or state debt securities and corporate debt securities; changing the allocation
3 limits on domestic and nondomestic government and corporate securities, nondomestic
4 corporate promissory notes, domestic and nondomestic corporate stocks, and taxable
5 government debt securities; and providing for an effective date.

6

7 * Section 1. AS 37.13.120(g)(7) is amended to read:

8

(7) domestic corporate debt securities that are rated investment grade

9

[A OR BETTER] by a nationally recognized rating service, or nondomestic corporate
10 debt securities of comparable quality;

11

* Sec. 2. AS 37.13.120(g)(19) is amended to read:

12

(19) taxable municipal or state debt securities that are rated investment

Chapter 104

1 grade [A OR BETTER] by a nationally recognized rating service;

2 * Sec. 3. AS 37.13.120(i) is amended to read:

3 (i) The fund may at no time own more than five percent of the voting stock
4 of a corporation. Domestic stocks, except for bank and insurance company stocks,
5 must be listed at the date of purchase on an exchange registered with the Securities
6 and Exchange Commission. At the time of each investment, the aggregate investment
7 of the fund in each stated category of investment may not exceed the following stated
8 percentage of the total investments of the fund:

9 (1) mortgages under (g)(13) of this section - 15 percent;

10 (2) real estate investments under (g)(16) of this section - 15 percent;

11 (3) certificates of deposit, term deposit, or bankers' acceptances under
12 (g)(15) of this section - 20 percent;

13 (4) [SECURITIES OF NONDOMESTIC GOVERNMENTS,
14 NONDOMESTIC GOVERNMENT AGENCIES, AND NONDOMESTIC
15 CORPORATIONS UNDER (g)(7), (17), AND (18) OF THIS SECTION,] domestic
16 and nondomestic corporate stocks under (g)(14) and (18) of this section [, AND
17 SHORT-TERM NONDOMESTIC CORPORATE PROMISSORY NOTES UNDER
18 (g)(8)(B) OF THIS SECTION] - 50 percent [;

19 (5) DOMESTIC CORPORATE DEBT SECURITIES THAT ARE
20 RATED A AND NONDOMESTIC CORPORATE DEBT SECURITIES OF
21 COMPARABLE QUALITY UNDER (g)(7) OF THIS SECTION, AND TAXABLE
22 MUNICIPAL OR STATE DEBT SECURITIES THAT ARE RATED A UNDER
23 (g)(19) OF THIS SECTION] - FIVE PERCENT].

24 * Sec. 4. AS 37.13.120 is amended by adding a new subsection to read:

25 (o) For purposes of (g) of this section, "investment grade" means a Standard
26 & Poor's Corporation rating BBB or better, or Moody's Investors Service, Inc., rating
27 of Baa or better, including a rating with a "+" or "-" designation or other variations
28 that occur within these ratings, or a comparable rating by another nationally recognized
29 rating organization.

30 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).