State of Arkansas

As Engrossed: S3/13/17

A Bill

SENATE BILL 546

By: Senator Rapert

By: Representative Collins

For An Act To Be Entitled
AN ACT TO AMEND THE DEFINITION OF "ELIGIBLE INVESTMENT SECURITIES"; TO ALLOW CERTAIN PURCHASES BY THE TREASURER OF STATE; AND FOR OTHER PURPOSES.

Subtitle
TO AMEND THE DEFINITION OF "ELIGIBLE INVESTMENT SECURITIES"; AND TO ALLOW CERTAIN PURCHASES BY THE TREASURER OF STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 19-1-501 is amended to read as follows:

As used in this subchapter, "eligible investment securities" means:

(1) A direct or guaranteed obligation of the United States that is backed by the full faith and credit of the United States Government;

(2) A direct obligation of an agency, instrumentality, or government-sponsored enterprise created by act of the United States Congress and authorized to issue securities or evidences of indebtedness, regardless of whether the securities or evidences of indebtedness are guaranteed for repayment by the United States Government; and

(3) A bond or other debt of the state, a school district, a county government, a municipal government, or an authority of a governmental entity that:

(A) Is issued for an essential governmental purpose or is
guaranteed by a state agency; and

(B) Has a debt rating from a nationally recognized credit rating agency of “A” or better at the time of purchase; and

(4) A bond from the State of Israel that is guaranteed and backed by the full faith and credit of the government of Israel as the sovereign debt of the State of Israel.

SECTION 2. Arkansas Code Title 19, Chapter 3, Subchapter 5, is amended to add an additional section to read as follows:

19-3-523. Purchase of bonds by Treasurer of State.

(a) The Treasurer of State may purchase bonds from the State of Israel that are guaranteed and backed by the full faith and credit of the government of Israel as the sovereign debt of the State of Israel.

(b) The moneys that the Treasurer of State may use in the purchase of any bonds from the State of Israel shall be those funds available for investment under this subchapter.

/s/Rapert

APPROVED: 03/24/2017