

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: S3/13/17
A Bill

SENATE BILL 546

5 By: Senator Rapert
6 *By: Representative Collins*
7

8 **For An Act To Be Entitled**

9 AN ACT TO AMEND THE DEFINITION OF "ELIGIBLE
10 INVESTMENT SECURITIES"; TO ALLOW CERTAIN PURCHASES BY
11 THE TREASURER OF STATE; AND FOR OTHER PURPOSES.
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14 **Subtitle**

15 TO AMEND THE DEFINITION OF "ELIGIBLE
16 INVESTMENT SECURITIES"; AND TO ALLOW
17 CERTAIN PURCHASES BY THE TREASURER OF
18 STATE.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 19-1-501 is amended to read as follows:
24 19-1-501. "Eligible investment securities" defined.

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

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

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

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

36 (A) Is issued for an essential governmental purpose or is



1 guaranteed by a state agency; and

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

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

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

10 19-3-523. Purchase of bonds by Treasurer of State.

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

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

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18 */s/Rapert*

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21 **APPROVED: 03/24/2017**