

ACT No. 654

Regular Session, 2004

SENATE BILL NO. 463

BY SENATOR DARDENNE

1 AN ACT

2 To enact R.S. 17:3803(B)(1)(h), relative to the treasurer's investment authority of Louisiana
3 Education Quality Trust Fund monies; to provide for the investment of Louisiana
4 Education Quality Trust Fund monies in certain permitted investments; to provide
5 for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:3803(B)(1)(h) is hereby enacted to read as follows:

8 §3803. Investment authority; treasurer

9 * * *

10 B. Grant of authority.

11 (1) The state treasurer is hereby authorized and directed to invest offshore
12 revenues which are deposited into any fund created pursuant to the constitution or
13 statutes of the state which are determined by the state treasurer to be available for
14 investment in the following permitted investments:

15 * * *

16 **R.S. 17:3803(B)(1)(h) is all new law.**

17 (h) Bonds, debentures, notes or other similar obligations issued in the United
18 States market, denominated in U.S. dollars and are the direct legal obligations of a
19 foreign nation which the International Monetary Fund lists as an industrial country,
20 for which investments in and/or business transactions with are not prohibited or
21 restricted by any law, regulation or rule of the United States or the state of Louisiana,
22 and for which the full faith and credit of such nation has been pledged for the
23 payment of principal and interest; provided that any such security shall be rated at
24 least A- or better by Standard & Poor's Corporation or A3 or better by Moody's, Inc.,

1 or an equivalent investment grade by a securities ratings organization accepted by the
 2 National Association of Insurance Commissioners; and, provided further that the
 3 total investment in such foreign securities at any one time shall not exceed five
 4 percent of the market value of all investments held by the treasurer in the Louisiana
 5 Education Quality Trust Fund or any other fund or investment of funds subject to this
 6 investment authority.

* * *

8 Section 2. This Act shall become effective on July 1, 2004; if vetoed by the governor
 9 and subsequently approved by the legislature, this Act shall become effective on July 1,
 10 2004, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____