



General Assembly

January Session, 2005

Committee Bill No. 290

LCO No. 4507

* SB00290PD 040105 *

Referred to Committee on Planning and Development

Introduced by:
(PD)

***AN ACT CONCERNING INVESTMENTS IN EQUITY SECURITIES BY
MUNICIPAL RESERVE FUNDS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 7-403a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2005*):

4 (c) The budget-making authority may, from time to time, direct the
5 treasurer to invest such portion of such reserve fund as in its opinion is
6 advisable, provided: (1) Not more than [forty] seventy per cent of the
7 total amount invested shall be invested in equity securities and (2) not
8 less than [fifty] thirty per cent of the total amount invested shall be
9 invested in United States government obligations, United States
10 agency obligations, United States postal service obligations, certificates
11 of deposit, commercial paper, savings accounts and bank acceptances.

12 Sec. 2. Section 7-362 of the general statutes is repealed and the
13 following is substituted in lieu thereof (*Effective October 1, 2005*):

14 The budget-making authority may, from time to time, direct the

15 treasurer to invest, such portion of such fund as in its opinion is
16 advisable, provided: (1) Not more than [thirty-one] seventy per cent of
17 the total amount invested shall be invested in equity securities; and (2)
18 not less than [fifty] thirty per cent of the total amount invested shall be
19 invested in the stock or bonds or interest-bearing notes or obligations
20 of the United States, or those for which the faith of the United States is
21 pledged to provide for the payment of the principal and interest,
22 including the bonds of the District of Columbia.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	7-403a(c)
Sec. 2	<i>October 1, 2005</i>	7-362

PD *Joint Favorable*