



General Assembly

January Session, 2005

Amendment

LCO No. 7455

SB0029007455SD0

Offered by:
SEN. HARRIS, 5th Dist.

To: Senate Bill No. 290

File No. 343

Cal. No. 290

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

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (c) of section 7-403a of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective July*
5 *1, 2005*):

6 (c) The budget-making authority may, from time to time, direct the
7 treasurer to invest such portion of such reserve fund as in its opinion is
8 advisable, provided: (1) Not more than forty per cent of the total
9 amount invested shall be invested in equity securities and (2) not less
10 than fifty per cent of the total amount invested shall be invested in
11 United States government obligations, United States agency
12 obligations, United States postal service obligations, certificates of
13 deposit, commercial paper, savings accounts and bank acceptances.
14 Notwithstanding the provisions of this section, if the budget-making
15 authority has adopted an asset allocation and investment policy for the

16 investment of such reserve fund, then (A) not more than sixty per cent
17 of the total amount invested shall be invested in equity securities, and
18 (B) not less than forty per cent of the total invested shall be invested in
19 United States government obligations, United States agency
20 obligations, United States postal service obligations, certificates of
21 deposit, commercial paper, savings accounts and bank acceptances."

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