

January 29, 1970
Passed on File

SENATE FILE 1156

By COMMITTEE ON HIGHER EDUCATION
(Committee on Higher Education)

Passed Senate, Date.....2-5-70..... Passed House, Date.....2-18-70.....
Vote: Ayes.....57..... Nays.....0..... Vote: Ayes.....103..... Nays.....2.....
Approved.....3-4-70.....

A BILL FOR

- 1 An Act relating to the investment of funds belonging to state
- 2 board of regents institutions.
- 3 *Be It Enacted by the General Assembly of the State of Iowa:*
- 4 Section 1. Section two hundred sixty-two point fourteen
- 5 (262.14), Code 1966, is hereby amended by striking subsection
- 6 three (3) and inserting in lieu thereof the following:
- 7 "Any portion of said funds may be invested in bonds or other
- 8 evidences of indebtedness issued, assumed or guaranteed by the
- 9 United States of America or by any agency or instrumentality
- 10 of the United States; also in bonds of this state, and of
- 11 counties, cities, and school districts in Iowa."

EXPLANATION

This bill allows Board of Regents institutions to invest in offerings of federal agencies. The law now restricts investment to offerings guaranteed by the United States. Since this law was first written by the 46th General Assembly, agency offerings have been shown to offer no greater risk to the holder than directly guaranteed offerings. Agency offerings would provide increased yields and would give increased investment flexibility. Extension to these offerings would be consistent with section 262.9(8) of the Code, which states that the board shall collect the highest rate of interest, consistent with safety, obtainable on daily balances in the funds of the treasurer of each institution.

- 1 Amend Senate File 1156 page 1 by striking lines 10 and
- 2 11 and inserting in lieu thereof the following.
- 3 "of the United States."

Filed and lost
February 5, 1970

By RIGLER

1 Amend Senate File 1156 as follows:

2 1. Page 1, line 11, by inserting after the word "Iowa"
3 the following:

4 "However, all interest from such investments shall be
5 placed in the general fund of the State of Iowa, and shall
6 not be used directly by the board for the operations, for
7 acquisition of property, or for any other purpose."

8 2. Further amend by adding thereto the following:

9 "Sec. 2. Section eight point six (8.6), subsection
10 six (6), Code 1966, is hereby amended by striking from
11 lines ten (10), eleven (11) and twelve (12) the words
12 "institutions under the control of the state board of
13 regents or to the".

Filed - *Last 2-17*

February 11, 1970

In: Higher education

SCHROEDER of Pottawattamie

1 Amend Senate File 1156 by adding the following new

2 section:

3 "Sec. 2. The Board of Regents is hereby authorized to
4 invest all funds appropriated for the purposes of a western Iowa
5 college according to the provisions of this act."

Offered from the floor and pending
February 17, 1970

CRABB of Crawford
GANNON of Jasper