

CHAPTER 1032

PUBLIC FUNDS INVESTMENTS BY POLITICAL SUBDIVISIONS — JOINT INVESTMENT TRUSTS

H.F. 2261

AN ACT authorizing political subdivisions to invest in certain joint investment trusts that are operated in accordance with the governmental accounting standards board.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 12B.10, subsection 5, paragraph a, subparagraph (7), Code 2016, is amended to read as follows:

(7) (a) A joint investment trust organized pursuant to [chapter 28E](#) prior to and existing in good standing on the effective date of this Act or a joint investment trust organized pursuant to [chapter 28E](#) after April 28, 1992, provided that the joint investment trust shall ~~either~~ be ~~rated~~ one of the following:

(i) Rated within the two highest classifications by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to [chapter 17A](#) and operated in accordance with either [17 C.F.R. §270.2a-7](#), or ~~be registered with the requirements of the governmental accounting standards board for external investment pools.~~

(ii) Registered with the federal securities and exchange commission under the federal Investment Company Act of 1940, 15 U.S.C. §80a-1, and operated in accordance with [17 C.F.R. §270.2a-7](#).

(b) The manager or investment advisor of the joint investment trust shall be registered with the federal securities and exchange commission under the Investment Advisor Act of 1940, 15 U.S.C. §80b-1.

Approved March 30, 2016