

52:18A-89.8

LEGISLATIVE HISTORY CHECKLIST
Compiled by the NJ State Law Library

(State Funds--Investments--Israel)

NJSA: 52:18A-89.8

LAWS OF: 1995 **CHAPTER:** 175

BILL NO: A201

SPONSOR(S): Lustbader and others

DATE INTRODUCED: Pre-filed

COMMITTEE: **ASSEMBLY:** State Government; Appropriations
SENATE: State Management; Budget

AMENDED DURING PASSAGE: Yes Amendments during passage
First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: **ASSEMBLY:** September 26, 1994
SENATE: May 25, 1994

DATE OF APPROVAL: July 10, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes 4-20-94 & 9-19-94
SENATE: Yes 2-27-95 & 3-13-95

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

[FIRST REPRINT]
ASSEMBLY, No. 201

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblyman LUSTBADER, Assemblywoman OGDEN,
Assemblymen Azzolina, Mikulak,
Assemblywoman Gregory-Scocchi,
Assemblymen Warsh and Frelinghuysen

1 **AN ACT** concerning the investment of certain public funds and
2 supplementing P.L.1950, c.270 (C.52:18A-79 et seq.).

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. Notwithstanding the provisions of section 11 of P.L.1950,
7 c.270 (C.52:18A-89) or any other law, rule or regulation to the
8 contrary, the Director of the Division of Investment in the
9 Department of the Treasury shall have the authority to invest and
10 reinvest the assets of any pension or annuity fund under the
11 jurisdiction of the division in securities ¹at fair market value¹
12 issued and unconditionally guaranteed as to interest and principal
13 by the State of Israel.

14 2. This act shall take effect immediately.

15

16

17

18

19 Authorizes investment of State funds in obligations issued by
20 State of Israel.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted September 19, 1994.

LAW LIBRARY
DO NOT REMOVE

ASSEMBLY, No. 201
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblyman LUSTBADER and Assemblywoman OGDEN

1 AN ACT concerning the investment of certain public funds and
2 supplementing P.L.1950, c.270 (C.52:18A-79 et seq.).

3
4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. Notwithstanding the provisions of section 11 of P.L.1950,
7 c.270 (C.52:18A-89) or any other law, rule or regulation to the
8 contrary, the Director of the Division of Investment in the
9 Department of the Treasury shall have the authority to invest and
10 reinvest the assets of any pension or annuity fund under the
11 jurisdiction of the division in securities issued and unconditionally
12 guaranteed as to interest and principal by the State of Israel.

13 2. This act shall take effect immediately.

14
15

16 STATEMENT

17
18 This bill authorizes the Director of the Division of Investment
19 to invest the assets of any pension or annuity fund under the
20 jurisdiction of the division in securities issued and unconditionally
21 guaranteed as to interest and principal by the State of Israel.

22
23

24 _____
25
26 Authorizes investment of State funds in obligations issued by
27 State of Israel.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 201

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 19, 1994

The Assembly Appropriations Committee reports favorably Assembly Bill No. 201, with committee amendments.

Assembly Bill No. 201, as amended, authorizes the Director of the Division of Investment to invest the assets of any pension or annuity fund under the jurisdiction of the division in securities issued and unconditionally guaranteed as to interest and principal by the State of Israel.

FISCAL IMPACT:

This bill was not certified as needing a fiscal note. It removes a limitation as to investing in particular securities, however, the Director of the Division of Investment and State Investment Council would have to make a decision as to actual investment in these securities, instead of current holdings, including specific amounts, and anticipated earnings.

COMMITTEE AMENDMENT:

The committee amended the bill with language which is clarifying in nature as to the fair market value of the securities.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 201

STATE OF NEW JERSEY

DATED: APRIL 20, 1994

The Assembly State Government Committee reports favorably Assembly Bill No. 201.

This bill authorizes the Director of the Division of Investment to invest the assets of any pension or annuity fund under the jurisdiction of the division in securities issued and unconditionally guaranteed as to interest and principal by the State of Israel.

This bill was pre-filed for introduction in the 1994 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

SENATE STATE MANAGEMENT, INVESTMENTS
AND FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 201

STATE OF NEW JERSEY

DATED: FEBRUARY 27, 1995

The Senate State Management, Investments and Financial Institutions Committee reports favorably Assembly Bill No. 201(1R).

This bill authorizes the Director of the Division of Investment in the Department of the Treasury to invest and reinvest the assets of any pension or annuity fund under the jurisdiction of the division in securities at fair market value issued and unconditionally guaranteed as to interest and principal by the State of Israel.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 201

STATE OF NEW JERSEY

DATED: MARCH 13, 1995

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 201 (1R).

Assembly Bill No. 201 (1R) authorizes the Director of the Division of Investment in the Department of the Treasury to invest and reinvest the assets of any pension or annuity fund under the jurisdiction of the division in securities at fair market value issued and unconditionally guaranteed as to interest and principal by the State of Israel.

Debt issued by the State of Israel falls into either of two categories. One of these categories is debt guaranteed by U.S. government agencies, such as the Department of Defense; this debt, like that issued by the federal government itself, is rated AAA. The other category consists of debt not covered by such a guarantee.

This bill addresses only State of Israel debt which is not guaranteed by the U.S. government because such debt may otherwise be ineligible for investment by the Division of Investment under the State Investment Council's regulatory guidelines for investing in the obligations of foreign sovereign governments.

The regulations of the State Investment Council governing the investment of public pension and annuity fund assets in the direct obligations of sovereign governments currently provide that "[a]ll international government and agency obligations must be rated at least Aa/AA by Moody's Investor's Services Inc. and Standard & Poor's Corporation or have equivalent ratings." N.J.A.C.17:16-20.2(b).

As reported, this bill is identical to Senate Bill No. 1239/1255 SCS of 1994.

FISCAL IMPACT

This bill was not certified as requiring a fiscal note.