

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0421.01 Jason Gelender x4330

HOUSE BILL 12-1265

HOUSE SPONSORSHIP

Pace, Ferrandino, Lee, Singer

SENATE SPONSORSHIP

Giron,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE STATE TREASURER INVEST A**
102 **SPECIFIED AMOUNT OF STATE MONEYS IN DOMESTIC FIXED**
103 **INCOME SECURITIES ISSUED FOR THE PURPOSE OF RAISING**
104 **CAPITAL FOR COLORADO BUSINESSES SO LONG AS THE STATE**
105 **TREASURER CAN DO SO WITHOUT VIOLATING THE STATE**
106 **TREASURER'S EXISTING DUTY TO USE PRUDENCE AND CARE TO**
107 **PRESERVE THE PRINCIPAL AND TO SECURE THE MAXIMUM RATE**
108 **OF INTEREST CONSISTENT WITH SAFETY AND LIQUIDITY WHEN**
109 **INVESTING STATE MONEYS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill requires the state treasurer to invest at least \$25 million of state moneys in domestic fixed income securities issued for the purpose of raising capital for business entities that are incorporated in or have their corporate headquarters in Colorado so long as the state treasurer can do so without violating the state treasurer's existing duty to use prudence and care to preserve the principal and to secure the maximum rate of interest consistent with safety and liquidity when investing state moneys.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-36-113, **add** (8)
3 as follows:

4 **24-36-113. Investment of state moneys - limitations -**
5 **requirements.** (8) THE STATE TREASURER SHALL INVEST AT LEAST
6 TWENTY-FIVE MILLION DOLLARS OF STATE MONEYS IN DOMESTIC FIXED
7 INCOME SECURITIES ISSUED FOR THE PURPOSE OF RAISING CAPITAL FOR
8 ONE OR MORE BUSINESS ENTITIES THAT ARE INCORPORATED IN OR HAVE
9 THEIR CORPORATE HEADQUARTERS IN COLORADO SO LONG AS THE STATE
10 TREASURER CAN DO SO WITHOUT VIOLATING THE STATE TREASURER'S
11 DUTY TO USE PRUDENCE AND CARE TO PRESERVE THE PRINCIPAL AND TO
12 SECURE THE MAXIMUM RATE OF INTEREST CONSISTENT WITH SAFETY AND
13 LIQUIDITY WHEN INVESTING STATE MONEYS AS SET FORTH IN PARAGRAPH
14 (a) OF SUBSECTION (1) OF THIS SECTION.

15 **SECTION 2. Act subject to petition - effective date.** This act
16 takes effect at 12:01 a.m. on the day following the expiration of the
17 ninety-day period after final adjournment of the general assembly (August
18 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a
19 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2012 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.