

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1167

Short Title: Municipal Power Agency Inv.

(Public)

Sponsors: Representative G. Miller.

Referred to: Public Utilities.

April 19, 1993

A BILL TO BE ENTITLED

AN ACT TO ADD TO THE INVESTMENT AUTHORITY OF JOINT MUNICIPAL
POWER AGENCIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159B-18(b) reads as rewritten:

"(b) Any moneys received pursuant to the authority of this Chapter and any other moneys available to a joint agency for investment may be invested:

(1) As provided in subsection (a) of this section;

(2) As provided in ~~G.S. 159-30;~~ G.S. 159-30, except that:

a. A joint agency may also invest, in addition to the obligations enumerated in G.S. 159-30(c)(2), in bonds, debentures, notes, participation certificates, or other evidences of indebtedness issued, or the principal of and the interest on which are unconditionally guaranteed, whether directly or indirectly, by any agency or instrumentality of, or corporation wholly owned by, the United States of America.

b. For purposes of G.S. 159-30(c)(12), a joint agency may also enter into repurchase agreements with respect to, in addition to the obligations enumerated in G.S. 159-30(c)(12):

1. Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National

- 1 Mortgage Association, the Government National
2 Mortgage Association, the Federal Housing
3 Administration, the Farmers Home Administration, and
4 the United States Postal Service;
5 2. Bonds, debentures, notes, participation certificates, or
6 other evidences of indebtedness issued, or the principal
7 of and the interest on which are unconditionally
8 guaranteed, whether directly or indirectly, by any agency
9 or instrumentality of, or corporation wholly owned by,
10 the United States of America;
11 3. Mortgage-backed pass-through securities guaranteed by
12 the Government National Mortgage Association, the
13 Federal Home Loan Mortgage Corporation, or the
14 Federal National Mortgage Association;
15 4. Direct or indirect obligations which are collateralized by
16 or represent beneficial ownership interests in mortgage-
17 backed pass-through securities guaranteed by the
18 Government National Mortgage Association, the Federal
19 Home Loan Mortgage Corporation, or the Federal
20 National Mortgage Association; and
21 5. Direct or indirect obligations, trust certificates, or other
22 similar instruments which are both: (i) guaranteed by the
23 Government National Mortgage Association, the Federal
24 Home Loan Mortgage Corporation, or the Federal
25 National Mortgage Association; (ii) collateralized by or
26 represent beneficial ownership interests in mortgage-
27 backed pass-through securities which are guaranteed by
28 the Government National Mortgage Association, the
29 Federal Home Loan Mortgage Corporation, or the
30 Federal National Mortgage Association, including, but
31 not limited to, Real Estate Mortgage Investment Conduit
32 Certificates; and (iii) for purposes of the second proviso
33 of G.S. 159-30(c)(12)a., the financial institution serving
34 either as trustee or as fiscal agent for a joint agency
35 holding the obligations subject to the repurchase
36 agreement may also be the provider of the repurchase
37 agreement if the obligations that are subject to the
38 repurchase agreement are held in trust by the trustee or
39 fiscal agent for the benefit of the joint agency;
40 (3) In mortgage-backed pass-through securities guaranteed by the
41 Government National Mortgage Association, the Federal Home Loan
42 Mortgage Corporation, or the Federal National Mortgage Association,
43 which securities shall mature or be redeemable at the option of the holder
44 within 10 years from the date of investment; Association;

- 1 (4) In direct or indirect obligations which are collateralized by or represent
2 beneficial ownership interests in mortgage-backed pass-through
3 securities guaranteed by the Government National Mortgage
4 Association, the Federal Home Loan Mortgage Corporation, or the
5 Federal National Mortgage Association, ~~which obligations shall mature or~~
6 ~~be redeemable at the option of the holder within 10 years from the date of~~
7 ~~investment;~~ Association; and
8 (5) In direct or indirect obligations, trust certificates, or other similar
9 instruments which are (i) guaranteed by the Government National
10 Mortgage Association, the Federal Home Loan Mortgage Corporation,
11 or the Federal National Mortgage Association, and (ii) collateralized
12 by or represent beneficial ownership interests in mortgage-backed
13 pass-through securities which are guaranteed by the Government
14 National Mortgage Association, the Federal Home Loan Mortgage
15 Corporation, or the Federal National Mortgage Association, including,
16 but not limited to, Real Estate Mortgage Investment Conduit
17 Certificates, ~~and which obligation, trust certificates or other similar~~
18 ~~instruments shall mature or be redeemable at the option of the holder within~~
19 ~~10 years from the date of investment.~~ Certificates."
20 Sec. 2. This act is effective upon ratification.