

HOUSE BILL No. 1089

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-13-9-2.7.

Synopsis: Investment of public funds. Provides that public deposits may be invested in a fixed annuity contract offered by an insurance company with a high credit rating. Specifies the minimum terms for the annuity contract.

Effective: July 1, 2013.

Lehman

January 8, 2013, read first time and referred to Committee on Ways and Means.

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First Regular Session 118th General Assembly (2013)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2012 Regular Session of the General Assembly.

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HOUSE BILL No. 1089



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-13-9-2.7 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2013]: **Sec. 2.7. (a) Each officer designated in section 1 of this**
- 4 **chapter, and the treasurer of state, may invest or reinvest any**
- 5 **funds that are held by the officer and available for investment in**
- 6 **fixed annuity contracts.**
- 7 **(b) For a fixed annuity contract to be eligible as an investment**
- 8 **under this section, the fixed annuity contract must:**
- 9 **(1) have a fixed rate of return;**
- 10 **(2) be entered into for a term certain of not greater than five**
- 11 **(5) years from the initial date of purchase; and**
- 12 **(3) be entered into with an insurance company that:**
- 13 **(A) is authorized by the department of insurance to do**
- 14 **business in Indiana;**
- 15 **(B) has a credit rating by at least two (2) nationally**
- 16 **recognized rating agencies that rate the creditworthiness**
- 17 **of insurance companies; and**



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(C) on the date of the investment, have credit ratings by the agencies referred to in clause (B) that are in one (1) of the highest three (3) credit rating categories for insurance companies.

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