

# VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

## CHAPTER 145

*An Act to amend and reenact § 2.1-328.10 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 2.1-328.13, relating to the investment of public funds in corporate notes and asset-backed securities.*

[S 424]

Approved April 1, 1994

**Be it enacted by the General Assembly of Virginia:**

**1. That § 2.1-328.10 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 2.1-328.13 as follows:**

§ 2.1-328.10. Investment of funds in corporate notes.

A. Notwithstanding any provision of law to the contrary, the Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, other than sinking funds, in high quality corporate notes with a rating of at least Aa by Moody's Investors Service, Inc., and a rating of at least AA by Standard and Poors, Inc., and a maturity of no more than five years.

B. Notwithstanding any provision of law to the contrary, any qualified public entity of the Commonwealth, as defined in this section, may invest any and all moneys belonging to it or within its control, other than sinking funds, in high quality corporate notes with a duration of no more than five years and a rating of at least A by two rating agencies, one of which must be either Moody's Investors Service, Inc., or Standard and Poors, Inc. As used in this section, "qualified public entity" is defined as any state agency or institution of the Commonwealth, having an internal or external public funds manager with professional investment management capabilities.

§ 2.1-328.13. Investment of funds in asset-backed securities.

Notwithstanding any provision of law to the contrary, any qualified public entity of the Commonwealth, as defined in this section, may invest any and all moneys belonging to it or within its control, other than sinking funds, in asset-backed securities with a duration of no more than five years and a rating of no less than AAA by two rating agencies, one of which must be either Moody's Investors Service, Inc., or Standard and Poors, Inc. As used in this section, "qualified public entity" is defined as any state agency or institution of the Commonwealth having an internal or external public funds manager with professional investment management capabilities.