

## CHAPTER 7

AN ACT concerning investment of certain pension fund moneys and amending N.J.S.18A:66-109.

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

1. N.J.S.18A:66-109 is amended to read as follows:

Disbursements; deposits and investments.

18A:66-109. No money shall be paid out of the pension fund except by the treasurer of the corporation upon warrants signed by the chairperson of the board of trustees and countersigned by the secretary thereof. No warrant shall be drawn except by the order of the board upon a ye and nay vote recorded in the minutes of the board.

The board of trustees may deposit the moneys of the fund in any bank or trust company which is a member of the Federal Reserve System, and may invest those moneys in bonds secured by mortgages, or in mortgages guaranteed or insured by agencies or instrumentalities of the United States of America, provided that those mortgages are legal investments for savings banks in this State. The board of trustees may invest and reinvest the moneys in other evidences of indebtedness, or capital stock or other securities, at least 90 percent of which shall be issued by companies incorporated within the United States or within the Dominion of Canada, and in the bonds and other evidences of indebtedness of the United States of America, any state, city, county, school district or of the instrumentality of any state or of the United States of America. The board of trustees shall not invest any money in a foreign company that has an equity tie to the government of a country or its instrumentalities that the State, through the Division of Investment in the Department of the Treasury or its successor, is prohibited from investing in pursuant to P.L.2005, c.162 (C.52:18A-89.9 et seq.), P.L.2007, c.250 (C.52:18A-89.12) or any similar subsequent act. All income, interest or dividends paid or agreed to be paid on account of any loan or deposit shall constitute a part of the fund.

2. This act shall take effect immediately.

Approved January 27, 2009.