

HOUSE RESEARCH

Bill Summary

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Overview

Authorizes a pilot project under which the State Board of Investment may invest in repurchase agreements issued by Minnesota banks and savings institutions whose most recent rating under the federal Community Reinvestment Act is "outstanding". This authorization would be in addition to current law, under which the SBI can invest in repurchase agreements if specified collateral is provided.

Provides that the SBI may not have total investments of more than \$50 million under authority of this section (This limit does not apply to investments that meet criteria in current law). Provides that the SBI must require collateral for investments under this section. This section is effective immediately and expires June 30, 2006.