

17-2336. Housing bonds legal investments for banking and insurance institutions; authorized security for public deposits. All banks, bankers, trust companies, savings banks and institutions, investment companies, insurance companies, insurance associations and other persons carrying on a banking or insurance business may legally invest any moneys or funds belonging to them or within their control in any bonds or other obligations issued by a city or any housing authority thereof created pursuant to the municipal housing law of this state or issued by any public housing authority or agency in the United States, any of its territories, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, when such bonds or other obligations are secured by a pledge of annual contributions or other financial assistance to be paid by the United States government or any agency thereof, or when such bonds or other obligations are secured by an agreement between the United States government or any agency thereof and the city or the public housing authority or agency in which the United States government or any agency thereof agrees to lend to the city or the public housing authority or agency, prior to the maturity of the bonds or other obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on the bonds or other obligations) will suffice to pay the principal of the bonds or other obligations with interest to maturity, which moneys under the terms of the agreement are required to be used for that purpose, and such bonds and other obligations shall be authorized security for all public deposits and shall be fully negotiable in this state; it being the purpose of this act to authorize any of the foregoing to use any funds owned or controlled by them, including (but not limited to) sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purchase of any such bonds or other obligations: Provided, Nothing contained in this act shall be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities. The provisions of this act shall apply notwithstanding any restrictions on investments contained in other laws.

History: L. 1957, ch. 76, § 1; June 29.