

**CHAPTER 16**

**RULES OF THE STATE INVESTMENT COUNCIL**

**Authority**

N.J.S.A. 52:18A-91.

**Source and Effective Date**

R.2001 d.119, effective March 9, 2001.  
See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).

**Executive Order No. 66(1978) Expiration Date**

Chapter 16, Rules of the State Investment Council, expires on March 9, 2006.

**Chapter Historical Note**

Chapter 16, Rules of the State Investment Council, was adopted and became effective prior to September 1, 1969.

Subchapter 3, Monthly Report of Purchases, was adopted and became effective prior to September 1, 1969.

Subchapter 8, Corporate Securities—Industrial Obligations, was adopted and became effective prior to September 1, 1969.

Subchapter 27, Certificates of Deposit, was adopted and became effective prior to September 1, 1969.

Subchapter 29, Title II Federal Housing Administration Insured Construction Mortgages; Multi-family, was adopted as R.1970 d.57. See: 2 N.J.R. 51(c).

Subchapter 31, State of New Jersey Cash Management Fund, and Subchapter 32, Common Pension Fund A, were adopted as R.1971 d.17, effective February 1, 1971. See: 3 N.J.R. 14(a), 3 N.J.R. 52(b).

Subchapter 33, Community College Capital Projects Funding, was adopted as R.1971 d.175A, effective October 1, 1971. See: 3 N.J.R. 183(d), 3 N.J.R. 235(a).

Subchapter 37, Repurchase Agreements, was adopted as R.1974 d.36, effective February 14, 1974. See: 6 N.J.R. 125(a).

Subchapter 39, Bankers Acceptance, was adopted as R.1974 d.263, effective September 24, 1974. See: 6 N.J.R. 415(b).

Subchapter 38, Common Pension Fund C, was adopted as R.1974 d.266, effective September 24, 1974. See: 6 N.J.R. 416(c).

Subchapter 19, Title II Section 203B Federal Housing Administration Mortgages, was adopted as R.1975 d.67, effective March 14, 1975. See: 7 N.J.R. 180(d).

Subchapter 38, Common Pension Fund C, was adopted as new rules by R.1978 d.615, effective December 2, 1985. See: 17 N.J.R. 2386(b), 17 N.J.R. 2914(b).

Subchapter 42, Covered Call Options, and Subchapter 43, Mortgage Backed Securities were adopted as R.1979 d.307, effective August 9, 1979. See: 11 N.J.R. 475(c).

Subchapter 5, Classification of Funds, was adopted as R.1983 d. 233, effective June 1, 1983. See: 15 N.J.R. 531(a), 15 N.J.R. 1038(d).

Pursuant to Executive Order No. 66(1978), Subchapter 39, Bankers Acceptance, was readopted as R.1983 d.283, effective July 18, 1983. See: 15 N.J.R. 796(a), 15 N.J.R. 1182(d).

Pursuant to Executive Order No. 66(1978), Subchapter 32, Common Pension Fund A, expired on January 17, 1984.

Pursuant to Executive Order No. 66(1978), Subchapter 38, Common Pension Fund C, expired on January 17, 1984.

Pursuant to Executive Order No. 66(1978), Subchapter 37, Repurchase Agreements was readopted as R.1984 d.261, filed June 13, 1984. See: 16 N.J.R. 1042(a), 16 N.J.R. 1808(a).

Pursuant to Executive Order No. 66(1978), Subchapter 31, State of New Jersey Cash Management Fund, was readopted as R.1984 d.262, effective July 2, 1984. See: 16 N.J.R. 1041(a), 16 N.J.R. 1807(c).

Pursuant to Executive Order No. 66(1978), Subchapter 42, Covered Call Options, was readopted as R.1984 d.383, filed August 13, 1984. See: 16 N.J.R. 1708(a), 16 N.J.R. 2378(b).

Pursuant to Executive Order No. 66(1978), Subchapter 43, Mortgage Backed Securities, was readopted as R.1984 d.384, filed August 13, 1984. See: 16 N.J.R. 1709(a), 16 N.J.R. 2379(a).

Pursuant to Executive Order No. 66(1978), Subchapter 27, Certificates of Deposit, expired on October 31, 1984.

Pursuant to Executive Order No. 66(1978), Chapter 16, Rules of the State Investment Council, was readopted, and Subchapter 27, Certificates of Deposit, was adopted as R.1985 d.201, effective August 5, 1985. See: 17 N.J.R. 60(b), 17 N.J.R. 1907(c).

Subchapter 8, Corporate Securities—Industrial Obligations, was repealed by R.1985 d.553, effective November 4, 1985. See: 17 N.J.R. 2093(b), 17 N.J.R. 2675(a).

Subchapter 38, Common Pension Fund C, was repealed and a new Subchapter 38, Common Pension Fund C, was adopted by R.1987 d.107, effective February 17, 1987. See: 18 N.J.R. 2438(a), 19 N.J.R. 380(b).

Subchapter 41, Loan Participation Notes, was adopted as R.1988 d.466, effective October 3, 1988. See: 20 N.J.R. 1779(b), 20 N.J.R. 2467(c).

Subchapter 44, Deferred Compensation Plan, and Subchapter 46, Common Pension Fund D, and Subchapter 47, International Government and Agency Obligations, and Subchapter 49, Purchase and Sale of International Currency, were adopted as R.1990 d.7, effective January 2, 1990. See: 21 N.J.R. 3262(a), 22 N.J.R. 60(b).

Subchapter 43, Mortgage Backed Securities, was repealed and Subchapter 43, Mortgage-Backed Securities; Private Pass-Through, was adopted as new rules by R.1990 d.305, effective June 18, 1990. See: 22 N.J.R. 1043(a), 22 N.J.R. 1945(a).

Subchapter 21, Bank Debentures, was adopted by R.1990 d.306. See: 22 N.J.R. 1043(b), 22 N.J.R. 1945(b).

Subchapter 45, Real Estate Equity, was adopted as R.1990 d.307, effective June 18, 1990. See: 22 N.J.R. 1044(b), 22 N.J.R. 1945(c).

The Executive Order No. 66(1978) expiration date of Chapter 16, Rules of the State Investment Council, was extended by gubernatorial directive from December 2, 1990 to May 2, 1991. See: 23 N.J.R. 26(a).

Subchapter 1, Definitions, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 2, Amortization Procedures, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 3, Monthly Report of Purchases, was repealed and a new Subchapter 3, Classification of Funds, was recodified from N.J.A.C. 17:16-5 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 4, Investment Control, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 5, Classification of Funds, was recodified to N.J.A.C. 17:16-3 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 6, United States Treasury and Government Agency Obligations, was recodified to N.J.A.C. 17:16-11 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 7, Corporate Obligations, was recodified to N.J.A.C. 17:16-12 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 9, Finance Companies—Senior Debt, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 10, Title 11 Federal Housing Administration Mortgages, was recodified to N.J.A.C. 17:16-55 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 11, New Jersey State and Municipal General Obligations, was recodified to N.J.A.C. 17:16-17 and Subchapter 11, United States Treasury and Government Agency Obligations, was recodified from N.J.A.C. 17:16-6 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 12, Public Authority Revenue Obligations, was recodified to N.J.A.C. 17:16-18 and Subchapter 12, Corporate Obligations, was recodified from N.J.A.C. 17:16-7 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 13, Commercial Paper, was recodified to N.J.A.C. 17:16-31 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 14, International Bank for Reconstruction and Development, was repealed and Subchapter 14, Finance Companies; Senior Debt, was adopted as new rules by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 15, Capehart Mortgages, was repealed and Subchapter 15, Bank Debentures, was adopted as new rules by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 16, United States Government Insured Merchant Marine Bonds, was repealed and Subchapter 16, Canadian Obligations, was recodified from N.J.A.C. 17:16-23 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 17, Common and Preferred Stock and Issues Convertible into Common Stock, was recodified to N.J.A.C. 17:16-41 and Subchapter 17, New Jersey State and Municipal Government Obligations, was recodified from N.J.A.C. 17:16-11 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 18, Inter-American Development Bank, was repealed and Subchapter 18, Public Authority Revenue Obligations, was recodified from N.J.A.C. 17:16-12 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 19, Title II Section 203(B) Federal Housing Administration Mortgages, was repealed and a new Subchapter 19, Collateralized Notes and Mortgages, was recodified from N.J.A.C. 17:16-40 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 20, Title III Section 501(B) Veterans Administrative Mortgages, was repealed and a new Subchapter 20, International Government and Agency Obligations, was recodified from N.J.A.C. 17:16-47 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 21, Bank Debentures, was repealed and a new Subchapter 21, U.S. Treasury Futures Contracts, was recodified from N.J.A.C. 17:16-50 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 22, Common Stocks and Convertible Securities, was recodified to N.J.A.C. 17:16-42 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 23, Canadian Obligations, was recodified to N.J.A.C. 17:16-16 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 24, United States Government Obligations, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 25, Three-party Agreements; United States Government, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 26, Three-party Agreements; Corporate, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 27, Certificates of Deposit, was recodified to N.J.A.C. 17:16-32 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 28, Title II Federal Housing Administration—Insured Mortgages; Multifamily, was recodified to N.J.A.C. 17:16-53 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 29, Title II Federal Housing Administration Insured Construction Mortgages; Multifamily, was recodified to N.J.A.C. 17:16-54 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 30, Minimum Legal Requirements, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 31, State of New Jersey Cash Management Fund, was recodified to N.J.A.C. 17:16-61 and Subchapter 31, Commercial Paper, was recodified from N.J.A.C. 17:16-13 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 32, Common Pension Fund A, was recodified to N.J.A.C. 17:16-62 and Subchapter 32, Certificates of Deposit, was recodified from N.J.A.C. 17:16-27 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 33, Community College Capital Projects Funding, was repealed and a new Subchapter 33, Repurchase Agreements, was recodified from N.J.A.C. 17:16-37 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 34, Rule on Investment of Proceeds of Bonds for School Building Construction, was repealed and a new Subchapter 34, Bankers Acceptance, was recodified from N.J.A.C. 17:16-39 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 35, Loan Participation Notes, was recodified from N.J.A.C. 17:16-41 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 36, Common Pension Fund B, was recodified to N.J.A.C. 17:16-63 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 37, Repurchase Agreements, was recodified to N.J.A.C. 17:16-33 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 38, Common Pension Fund C, was repealed by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 39, Bankers Acceptance, was recodified to N.J.A.C. 17:16-34 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 40, Collateralized Notes and Mortgages, was recodified to N.J.A.C. 17:16-19 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 41, Loan Participation Notes, was recodified to N.J.A.C. 17:16-35 and Subchapter 41, Common and Preferred Stock and Issues Convertible into Common Stock, was recodified from N.J.A.C. 17:16-17 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

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Subchapter 42, Covered Call Options, was recodified from N.J.A.C. 17:16-43 and Subchapter 42, Common Stocks and Convertible Securities, was recodified from N.J.A.C. 17:16-22 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 43, Mortgage-Backed Securities; Private Pass-Through, was recodified to N.J.A.C. 17:16-58 and Subchapter 43, Covered Call Options, was recodified from N.J.A.C. 17:16-42 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 44, Deferred Compensation Plan, was recodified to N.J.A.C. 17:16-65 and Subchapter 44, Common and Preferred Stocks and Issues Convertible into Common Stock of International Corporations, was recodified from N.J.A.C. 17:16-48 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 45, Real Estate Equity, was recodified to N.J.A.C. 17:16-71 and Subchapter 45, Covered Put Options, was recodified from N.J.A.C. 17:16-52 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 46, Common Pension Fund D, was recodified to N.J.A.C. 17:16-67 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 47, International Government and Agency Obligations, was recodified to N.J.A.C. 17:16-20 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 48, Common and Preferred Stock and Issues Convertible into Common Stock of International Corporations, was recodified to N.J.A.C. 17:16-44 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 49, Purchase and Sale of International Currency, was recodified to N.J.A.C. 17:16-81 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 50, U.S. Treasury Futures Contracts, was recodified to N.J.A.C. 17:16-21 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 52, Covered Put Options, was recodified to N.J.A.C. 17:16-45 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 53, Title II Federal Housing Administration—Insured Mortgages; Multi-family, was recodified from N.J.A.C. 17:16-28 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 54, Title II Federal Housing Administration Insured Construction Mortgages; Multifamily, was recodified from N.J.A.C. 17:16-29 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 55, Title II Federal Housing Administration Mortgages, was recodified from N.J.A.C. 17:16-10 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 58, Mortgage-Backed Securities; Private Pass-Through, was recodified from N.J.A.C. 17:16-43 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 61, State of New Jersey Cash Management Fund, was recodified from N.J.A.C. 17:16-31 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 62, Common Pension Fund A, was recodified from N.J.A.C. 17:16-32 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 63, Common Pension Fund B, was recodified from N.J.A.C. 17:16-36 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 65, Deferred Compensation Plan, was recodified from N.J.A.C. 17:16-44 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 67, Common Pension Fund D, was recodified from N.J.A.C. 17:16-46 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 71, Real Estate Equity, was recodified from N.J.A.C. 17:16-45 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 81, Purchase and Sale of International Currency, was recodified from N.J.A.C. 17:16-49 by R.1991 d.274, effective June 3, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Pursuant to Executive Order No. 66(1978), Chapter 16, Rules of the State Investment Council, was readopted as R.1991 d.274, effective May 2, 1991. See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Subchapter 36, Guaranteed Income Contracts, was adopted as R.1991 d.387, effective August 5, 1991. See: 23 N.J.R. 1776(a), 23 N.J.R. 2344(b).

Pursuant to Executive Order No. 66(1978), Chapter 16, Rules of the State Investment Council, was readopted as R.1996 d.222, effective April 15, 1996. See: 28 N.J.R. 1366(a), 28 N.J.R. 2397(a).

Subchapter 68, New Jersey Better Educational Savings Trust (NJBEST) Fund, was adopted as R.1998 d.552, effective November 16, 1998. See: 30 N.J.R. 3167(a), 30 N.J.R. 4064(a).

Subchapter 46, Common and Preferred Stocks and Issues Convertible Into Common Stock of International Corporations in Emerging Markets, was adopted as R.2000 d.373, effective September 18, 2000. See: 32 N.J.R. 2584(b), 32 N.J.R. 3455(b).

Pursuant to Executive Order No. 66(1978), Chapter 16, Rules of the State Investment Council, was readopted as R.2001 d.119, effective March 9, 2001, and Subchapter 35, Loan Participation Notes, was repealed by R.2001 d.119, effective April 2, 2001. See: Source and Effective Date. See, also, section annotations.

Subchapter 22, Fixed Income Exchange-Traded Funds, was adopted as R.2003 d.330, effective August 4, 2003. See: 35 N.J.R. 1869(a), 35 N.J.R. ().

Subchapter 37, Money Market Funds, was adopted as R.2003 d.331, effective August 4, 2003. See: 35 N.J.R. 1870(a), 35 N.J.R. ().

Subchapter 47, Equity Futures Contracts, was adopted as R.2003 d.334, effective August 4, 2003. See: 35 N.J.R. 1872(b), 35 N.J.R. ().

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SUBCHAPTER 3. CLASSIFICATION OF FUNDS

**17:16-3.1 General provisions**

(a) Funds having similar investment characteristics and objectives under their respective enabling acts shall be grouped together in any of the following classifications:

1. Pension and Annuity Group;
2. Static Group;
3. Demand Group;
4. Temporary Reserve Group; and
5. Trust Group.

As amended, R.1982 d.397, effective November 1, 1982.  
 See: 14 N.J.R. 329(a), 14 N.J.R. 1220(d).  
 List of classification groups added.  
 Recodified by R.1991 d.274, effective June 3, 1991.  
 See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).  
 Stylistic changes.

**17:16-3.2 Approved list**

A "list of funds under the supervision of the Council" shall be maintained by the Director.

Amended by R.1982 d.397, effective November 1, 1982.  
 See: 14 N.J.R. 329(b), 14 N.J.R. 1220(d).

Pension and annuity groups changed to an approved list.  
 Recodified by R.1991 d.274, effective June 3, 1991.  
 See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).  
 Reference to Council approval deleted.

**17:16-3.3 through 17:16-3.6 (Reserved)**

SUBCHAPTERS 4 THROUGH 10. (RESERVED)

SUBCHAPTER 11. UNITED STATES TREASURY AND GOVERNMENT AGENCY OBLIGATIONS

**17:16-11.1 United States Treasury and Government Agency Obligations**

(a) Notwithstanding the provisions of any law pertaining to legal investments, the Director shall not make any commitment to purchase securities for any fund unless such securities are of the class of securities in which such fund may be invested pursuant to these regulations; except that the Director may purchase for any pension and annuity, static, trust, demand or temporary reserve fund without regard to any limitation:

1. United States Treasury Obligations;
2. United States Government Agency Obligations from a list approved by the State Investment Council; and
3. Treasury receipts, certificates of accrual, collateralized mortgage obligations or similar securities which evidence ownership of interest and/or principal of securities eligible under 1. and 2. above, provided that the Director and a member of his staff certify that the security being considered for purchase is qualitatively substantially identical to the Government securities which secure or otherwise support it.

As amended, R.1972 d.75, eff. April 19, 1972.  
 See: 4 N.J.R. 109(a).  
 As amended, R.1974 d.323, eff. November 20, 1974.  
 See: 6 N.J.R. 496(a).  
 As amended, R.1975 d.97, eff. April 8, 1975.  
 See: 7 N.J.R. 241(a).  
 Amended by R.1985 d.552, effective November 4, 1985.  
 See: 17 N.J.R. 2093(a), 17 N.J.R. 2674(b).  
 Amended (a): added (a)1.-(a)3.  
 Recodified by R.1991 d.274, effective June 3, 1991.  
 See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).  
 Title changed.  
 Amended by R.2001 d.119, effective April 2, 2001.  
 See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).