

State Finance and Procurement Article §6-222

Permissible Investments

The Treasurer may invest or reinvest unexpended or surplus money over which the Treasurer has custody in:

1. an obligation for which the United States has pledged its faith and credit for the payment of the principal and interest;
2. an obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress;
3. a repurchase agreement collateralized in an amount not less than 102% of the principal amount by an obligation of the United States, its agencies or instrumentalities, provided the collateral is held by a custodian other than the seller designated by the buyer;
4. bankers' acceptances guaranteed by a financial institution with a short-term debt rating in the highest letter and numerical rating by at least one nationally recognized statistical rating organization as designated by either the U. S. Securities and Exchange Commission (SEC) or the Treasurer;
5. N. A.;
6. commercial paper that has received the highest letter and numerical rating by at least one nationally recognized statistical rating organization as designated by the U.S. SEC, provided that such commercial paper may not exceed 5% of the total investments made by the Treasurer under this subsection;
7. money market mutual funds registered with the SEC under the Investment Company Act of 1940, 15 U.S.C. §80(a-1 et seq.), as amended, and operated in accordance with Rule 2A-7 of the Investment Company Act of 1940, 17 C.F.R. §270.2A-7, as amended, and that have received the highest possible rating from at least one nationally recognized statistical rating organization as designated by the U.S. SEC; and
8. any investment portfolio created under the Maryland Local Government Investment Pool defined under Article 95, §22G of the Code that is administrated by the Office of the State Treasurer.