

NORTH CAROLINA GENERAL ASSEMBLY  
1971 SESSION

CHAPTER 1161  
HOUSE BILL 1293

AN ACT TO AMEND G.S. SECTION 157-25 TO CLARIFY LEGAL INVESTMENTS IN  
OBLIGATIONS OF HOUSING AUTHORITIES.

The General Assembly of North Carolina enacts:

**Section 1.** That G.S. 157-25 is hereby rewritten in its entirety to read as follows:

"§ 157-25. **Housing bonds, legal investments and security.** The State and all public officers, municipal corporations, political subdivisions, and public bodies, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds issued by a housing authority established (or hereafter established) pursuant to this Article or issued by any public housing authority or agency in the United States, when such bonds are secured by a pledge of annual contributions to be paid by the United States Government or any agency thereof, or bonds which may be issued notwithstanding any other limitations of this Chapter, by a not for profit corporate agency of a housing authority secured by rentals payable pursuant to Section 23 of the United States Housing Act of 1937, as amended, and any such bonds shall be authorized security for all public deposits and shall be fully negotiable in this State; it being the purpose of this Article to authorize any persons, firms, corporations, associations, political subdivisions, bodies and officers, public or private, 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 and that any such bonds shall be authorized security for all public deposits and shall be fully negotiable in this State: Provided, however, that nothing contained in this Article shall be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities."

**Sec. 2.** This act shall be in full force and effect upon ratification.

In the General Assembly read three times and ratified, this the 21st day of July, 1971.