

REFERENCE TITLE: local government investment pool; treasurer

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# HB 2344

Introduced by  
Representative Livingston

AN ACT

AMENDING SECTION 35-326, ARIZONA REVISED STATUTES; RELATING TO THE LOCAL  
GOVERNMENT INVESTMENT POOL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 35-326, Arizona Revised Statutes, is amended to  
3 read:

4 35-326. Local government investment pool; prohibition;  
5 definition

6 A. The state treasurer may maintain one or more pooled investment  
7 funds for the collective investment of monies in this state. Securities  
8 or other instruments in which the monies may be invested are those that  
9 are provided for in article 2 of this chapter.

10 B. The state treasurer may deposit state monies in a pooled  
11 investment fund and may also receive into a fund monies that are deposited  
12 by any political subdivision or public entity in this state or public  
13 trust that is legally authorized or required to deposit monies with the  
14 state treasurer for investment. When a depositor provides monies to a  
15 pooled investment fund, the state treasurer may require the depositor to  
16 specify the date or dates on which it will require the monies. The assets  
17 of a pooled investment fund shall be invested by the state treasurer for  
18 such periods as will facilitate the return of the monies to the depositing  
19 entities in accordance with the instructions received at the time of  
20 deposit. Earnings shall be credited promptly after calculation.

21 C. The state treasurer shall compute on a monthly basis the rate of  
22 earnings on the pooled investment fund for that month, and each depositor  
23 shall be credited with an amount determined by applying the calculated  
24 monthly rate to the principal amount of its deposit balance for the period  
25 of the deposit. Interest shall be credited monthly.

26 D. The governing body of any political subdivision, public trust or  
27 public entity, by adopting a resolution of continuing effect, may  
28 authorize and request the state treasurer to invest monies for the  
29 governing body pursuant to this section.

30 E. THE STATE TREASURER SHALL MANAGE THE LOCAL GOVERNMENT INVESTMENT  
31 POOL AND MAY ENTER INTO A CONTRACT WITH A THIRD PARTY AS A CONTINGENCY IF  
32 THE STATE TREASURER IS UNABLE TO CONDUCT THE STATE TREASURER'S FIDUCIARY  
33 DUTY.

34 ~~E.~~ F. For the purposes of this section, "political subdivision"  
35 means any governmental entity operating under the authority of this state,  
36 including a city, town, county, school district or community college  
37 district or any other entity organized under state law.