



NEW YORK STATE SENATOR

Kevin S. Parker

## Senator Parker Creates New Opportunities for Investment That Comply with Islamic Law

KEVIN S. PARKER January 28, 2010

**(Albany, NY)** Today, Senator Parker introduced a bill that will create a new type of bond designed to attract more foreign investment to New York, creating jobs and opportunities for small businesses and working families.

Senator Parker's bill mandates the creation of "alternative finance investment bonds (AFIBs)," which are also known as sukuk. Unlike traditional bonds, these innovative new bonds open up investment opportunities to those whose religious or personal beliefs proscribe them from engaging in transactions where interest is charged. These investors are therefore precluded from using conventional debt instruments such as bonds.

"With the introduction of my legislation, New York leads the nation in fostering new investment opportunities to create jobs, reduce the cost of borrowing, and bring new entrants into New York's bond markets," said Senator Kevin Parker. "As the historical hub for international commerce and finance, it is imperative we not only stay competitive, but lead in the global marketplace," he stated.

The largest potential market for this new bond is anticipated to be nations from the Persian Gulf, South East Asia, and other emerging markets that have experienced tremendous

growth. Investors from these countries are seeking investment opportunities abroad that comport with their religious beliefs. Other countries including England, France, South Africa, and Australia are already in the process of creating similar investment vehicles to encourage prospective investors.

This legislation also creates an opportunity for communities unable to participate in traditional debt financing to invest in their non-profit institutions as well as renewal projects and economic development. “This legislation reverses an historic inequity where far too many New Yorkers have been unable to benefit from public-private partnerships with the State. I am proud that today, New York once again leads the nation in affording all citizens equal opportunity,” said Senator Parker.

#### **About Senator Kevin Parker**

Senator Kevin S. Parker is committed to restoring the overall quality of life for the constituents of the 21st Senatorial District in Brooklyn. A lifelong Brooklyn resident, Senator Parker has been a Flatbush resident for more than 30 years. Having been nurtured, schooled and employed in the district, Senator Parker is intimately familiar with the needs of ethnically diverse community that consists of 311,000 constituents in several communities that include: Flatbush, East Flatbush, Midwood, Ditmas Park, Kensington and Borough Park.