

By: Shapleigh

S.B. No. 319

A BILL TO BE ENTITLED

AN ACT

relating to requiring state investment funds to post certain information on the Internet.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter F, Chapter 2054, Government Code, is amended by adding Section 2054.114 to read as follows:

Sec. 2054.114. REQUIRED POSTING OF STATE INVESTMENT FUND INFORMATION ON INTERNET. (a) In this section, "state investment fund" means any investment fund that is investing public funds and that is administered by or under a contract with any entity of state government, including a fund:

(1) established by statute or by the Texas Constitution; or

(2) administered by or under a contract with:

(A) a public retirement system, as defined by Section 802.001, that provides service retirement, disability retirement, or death benefits for officers or employees of the state;

(B) an institution of higher education, as defined by Section 61.003, Education Code; or

(C) any other entity that is part of state government.

(b) The entity of state government responsible for the administration of a state investment fund shall, on or before the

1 first day of each calendar quarter, post a report containing the
2 information specified by Subsection (c) for the previous calendar
3 quarter on a generally accessible Internet site maintained by or
4 for:

5 (1) the fund; or

6 (2) the state governmental entity, if a generally
7 accessible Internet site is not maintained by or for the fund.

8 (c) The report must state:

9 (1) all purchases and sales by or for the fund of
10 domestic equity securities and bonds in the following summary form:

11 (A) company name;

12 (B) total amount of shares traded;

13 (C) total commissions paid; and

14 (D) the ratio of the amount of the commissions to
15 the number of shares;

16 (2) the fund's investment managers, investment
17 custodians, investment performance measurement consultants,
18 securities lending agents, and any other ancillary consultants in
19 the following summary form:

20 (A) company name;

21 (B) average fund assets under management;

22 (C) fees paid by the fund; and

23 (D) average basis points that fees paid by the
24 fund represent in relation to the average assets of the fund under
25 management; and

26 (3) the dollar amounts of fees, commissions, and other
27 amounts paid in connection with the administration of the fund, as

1 described under Subdivisions (1) and (2), to businesses,
2 categorized according to:

3 (A) the race, ethnicity, and gender of the
4 controlling ownership of each business;

5 (B) the principal place of business of each
6 business; and

7 (C) the status of each business as a historically
8 underutilized business.

9 (d) This section does not apply to the Texas Mutual
10 Insurance Company created under Article 5.76-3, Insurance Code.

11 SECTION 2. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2005.