

By: Alvarado, Anchia, Veasey

H.B. No. 4446

Substitute the following for H.B. No. 4446:

By: Anchia

C.S.H.B. No. 4446

A BILL TO BE ENTITLED

AN ACT

relating to the investment authority of the Teacher Retirement System of Texas and the Employees Retirement System of Texas.

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

SECTION 1. Section 815.301, Government Code, is amended by adding Subsections (g) and (h) to read as follows:

(g) In awarding contracts to private professional investment managers under Subsection (c) or otherwise acquiring private financial services, the board of trustees shall make a good faith effort to award contracts to or acquire services from qualified emerging fund managers.

(h) For purposes of Subsection (g):

(1) "Emerging fund manager" means a private professional investment manager that manages assets of not more than \$2 billion.

(2) "Private financial services" includes pension fund management, consulting, investment advising, brokerage services, hedge fund management, private equity fund management, and real estate investment.

SECTION 2. Section 825.301, Government Code, is amended by adding Subsections (f) and (g) to read as follows:

(f) In awarding contracts to private professional investment managers under Subsection (a-2) or otherwise acquiring private financial services, the board of trustees shall make a good

1 faith effort to award contracts to or acquire services from  
2 qualified emerging fund managers.

3 (g) For purposes of Subsection (f):

4 (1) "Emerging fund manager" means a private  
5 professional investment manager that manages assets of not more  
6 than \$2 billion.

7 (2) "Private financial services" includes pension  
8 fund management, consulting, investment advising, brokerage  
9 services, hedge fund management, private equity fund management,  
10 and real estate investment.

11 SECTION 3. 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, 2009.