

By: Rodriguez

S.B. No. 1555

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the investment of the permanent university fund and
3 other funds under the management and control of the board of regents
4 of The University of Texas System.

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

6 SECTION 1. Section 66.08, Education Code, is amended by
7 adding Subsection (b-1) to read as follows:

8 (b-1) In awarding investment contracts to private
9 professional investment managers or in otherwise seeking or
10 acquiring private financial services in relation to its investments
11 under this section, the corporation shall make a good faith effort
12 to award contracts to or to seek or acquire services from qualified
13 emerging fund managers.

14 SECTION 2. Section 66.08(o), Education Code, is amended by
15 adding Subdivisions (1-a) and (1-b) to read as follows:

16 (1-a) "Emerging fund manager" means a professional
17 investment manager that manages assets of not more than \$5 billion.

18 (1-b) "Financial services" includes pension fund
19 management, financial consulting, investment advising, brokerage
20 services, hedge fund management, private equity fund management,
21 and real estate investment.

22 SECTION 3. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2011.