

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 12, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2825 by Otto (Relating to the composition and appointment of the board of directors of a corporation to which the board of regents of The University of Texas System delegates investment authority for the permanent university fund or other funds under the control of the board of regents.), **As Engrossed**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Section 66.08 of the Education Code to change the composition of the board of directors of the entity to which the Board of Regents of The University of Texas System delegates certain investment management services. This legislation would also require a vote of 4/5 of the board of directors to (1) hire and fire the chief executive officer of the corporation; (2) approve the corporation's annual budget; (3) award executive compensation, including bonuses; (4) make changes to the corporation's asset allocation; and (5) make changes to the investment policies of the corporation.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, KK, RT, JAW