

By: Flynn

H.B. No. 2652

A BILL TO BE ENTITLED

AN ACT

relating to the procurement of investment and consulting services
by certain public retirement systems.

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

SECTION 1. Section 802.002(a), Government Code, is amended
to read as follows:

(a) Except as provided by Subsection (b), the Employees
Retirement System of Texas, the Teacher Retirement System of Texas,
the Texas County and District Retirement System, the Texas
Municipal Retirement System, and the Judicial Retirement System of
Texas Plan Two are exempt from Sections 802.101(a), 802.101(b),
802.101(d), 802.102, 802.103(a), 802.103(b), 802.2015, 802.2016,
802.202, 802.203, 802.204, 802.205, 802.206, ~~and~~ 802.207, and
802.208. The Judicial Retirement System of Texas Plan One is exempt
from all of Subchapters B and C except Sections 802.104 and 802.105.
The optional retirement program governed by Chapter 830 is exempt
from all of Subchapters B and C except Section 802.106.

SECTION 2. Subchapter C, Chapter 802, Government Code, is
amended by adding Section 802.208 to read as follows:

Sec. 802.208. CONTRACTING FOR INVESTMENT OR CONSULTING
SERVICES. (a) The governing body of a public retirement system
shall issue a request for proposals and evaluate the proposals
received before entering into a contract for investment or
consulting services, including professional investment management

1 services.

2 (b) The term of a contract for investment or consulting
3 services entered into by the governing body of a public retirement
4 system may not exceed five years.

5 (c) This section does not prohibit the governing body of a
6 public retirement system from awarding a contract for investment or
7 consulting services to the same person.

8 SECTION 3. Section 802.208, Government Code, as added by
9 this Act, applies only to a contract for investment or consulting
10 services that is entered into or renewed by the governing body of a
11 public retirement system on or after the effective date of this Act.

12 SECTION 4. This Act takes effect September 1, 2019.