

By: White

H.B. No. 3047

A BILL TO BE ENTITLED

AN ACT

1
2 relating to requiring that deferred compensation plans provided by
3 state agencies or institutions of higher education offer certain
4 types of qualified investment products to employees participating
5 in those plans.

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

7 SECTION 1. Section 609.001, Government Code, is amended by
8 adding Subdivisions (1-a) and (8-a) to read as follows:

9 (1-a) "Chinese company" means a company that is
10 headquartered in China or is a wholly owned subsidiary or
11 majority-owned subsidiary of a company headquartered in China,
12 regardless of whether:

13 (A) the company's or its parent company's
14 securities are publicly traded; or

15 (B) the company or its parent company is listed
16 as a Chinese company on a public stock exchange.

17 (8-a) "Texas company" means a company:

18 (A) formed or organized under the laws of this
19 state;

20 (B) that has a principal place of business in
21 this state; or

22 (C) that has an established physical presence in
23 and employs residents of this state.

24 SECTION 2. Subchapter C, Chapter 609, Government Code, is

1 amended by adding Section 609.5045 to read as follows:

2 Sec. 609.5045. CERTAIN INVESTMENT PRODUCT OFFERINGS
3 REQUIRED. The board of trustees and the plan administrator shall
4 ensure that at least one of each of the following types of qualified
5 investment products is offered to employees participating in the
6 deferred compensation plan:

7 (1) a qualified investment product that excludes
8 investment in Chinese companies; and

9 (2) a qualified investment product that allows for at
10 least some investment in Texas companies.

11 SECTION 3. Subchapter D, Chapter 609, Government Code, is
12 amended by adding Section 609.7075 to read as follows:

13 Sec. 609.7075. CERTAIN INVESTMENT PRODUCT OFFERINGS
14 REQUIRED. The board of trustees and the plan administrator shall
15 ensure that at least one of each of the following types of qualified
16 investment products is offered to employees participating in the
17 deferred compensation plan:

18 (1) a qualified investment product that excludes
19 investment in Chinese companies; and

20 (2) a qualified investment product that allows for at
21 least some investment in Texas companies.

22 SECTION 4. Not later than January 1, 2022, the board of
23 trustees of the Employees Retirement System of Texas and each plan
24 administrator responsible for administering a deferred
25 compensation plan under Subchapter C or D, Chapter 609, Government
26 Code, as amended by this Act, shall ensure the respective plans
27 offer qualified investment products that comply with Sections

H.B. No. 3047

1 609.5045 and 609.7075, Government Code, as added by this Act, as
2 applicable.

3 SECTION 5. This Act takes effect September 1, 2021.