

Enrolled Senate Bill 22

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of State Treasurer Randall Edwards)

CHAPTER

AN ACT

Relating to investments by the State Treasurer; amending ORS 293.736 and 293.741.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 293.736 is amended to read:

293.736. (1) Except as provided [*in subsection (2) of this section and*] in ORS 293.741, in amounts available for investment purposes and subject to the policies formulated by the Oregon Investment Council, the investment officer shall invest and reinvest moneys in the investment funds and acquire, retain, manage, including exercise of any voting rights, and dispose of investments of the investment funds.

[(2) The investment officer may not perform functions specified in subsection (1) of this section with respect to investment in common stock of moneys in the Public Employees Retirement Fund or Industrial Accident Fund. Except as provided in subsection (3) of this section, the investment officer may not perform functions specified in subsection (1) of this section with respect to investment in common stock of moneys in the Deferred Compensation Fund. Those functions with respect to that investment may be performed only by persons contracted with by the council as provided in ORS 293.741.]

[(3)] (2) Subject to the direction of the council, the investment officer shall perform the functions described in subsection (1) of this section with respect to the investment in mutual funds of moneys in the Deferred Compensation Fund. The council must approve all mutual funds in which Deferred Compensation Fund moneys are invested.

SECTION 2. ORS 293.741, as amended by section 248, chapter 794, Oregon Laws 2003, is amended to read:

293.741. The Oregon Investment Council may enter into contracts with one or more persons whom the council determines to be qualified, whereby the persons undertake, in lieu of **or in addition to** the investment officer, to perform the functions specified in ORS 293.736 to the extent provided in the contract. Performance of functions under a contract [*so entered into*] shall be paid for out of the gross interest or other income of the investments with respect to which the functions are performed, and the net interest or other income of the investments after that payment shall be considered income of the investment funds. The council may require a person contracted with to give to the state a fidelity bond in a penal sum as may be fixed by law or, if not so fixed, as may be fixed by the council, with corporate surety authorized to do business in this state. Contracts [*so*] entered into **under this section** and functions performed [*thereunder*] **under the contracts** are not subject to [*the State Personnel Relations Law or*] **ORS chapter 240 or ORS 279A.140.**

Passed by Senate February 23, 2005

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Secretary of Senate

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President of Senate

Passed by House June 13, 2005

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Speaker of House

Received by Governor:

.....M,....., 2005

Approved:

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Governor

Filed in Office of Secretary of State:

.....M,....., 2005

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Secretary of State