

Senate Bill 22

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Removes prohibition on State Treasurer investing certain funds in common stocks.

A BILL FOR AN ACT

1
2 Relating to investments by the State Treasurer; amending ORS 293.736 and 293.741.

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

4 **SECTION 1.** ORS 293.736 is amended to read:

5 293.736. (1) Except as provided [*in subsection (2) of this section and*] in ORS 293.741, in amounts
6 available for investment purposes and subject to the policies formulated by the Oregon Investment
7 Council, the investment officer shall invest and reinvest moneys in the investment funds and acquire,
8 retain, manage, including exercise of any voting rights, and dispose of investments of the investment
9 funds.

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

16 [(3)] (2) Subject to the direction of the council, the investment officer shall perform the functions
17 described in subsection (1) of this section with respect to the investment in mutual funds of moneys
18 in the Deferred Compensation Fund. The council must approve all mutual funds in which Deferred
19 Compensation Fund moneys are invested.

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

22 293.741. The Oregon Investment Council may enter into contracts with one or more persons
23 whom the council determines to be qualified, whereby the persons undertake, in lieu of **or in addi-**
24 **tion to** the investment officer, to perform the functions specified in ORS 293.736 to the extent pro-
25 vided in the contract. Performance of functions under **a** contract [*so entered into*] shall be paid for
26 out of the gross interest or other income of the investments with respect to which the functions are
27 performed, and the net interest or other income of the investments after that payment shall be
28 considered income of the investment funds. The council may require a person contracted with to
29 give to the state a fidelity bond in a penal sum as may be fixed by law or, if not so fixed, as may
30 be fixed by the council, with corporate surety authorized to do business in this state. Contracts
31 [so] entered into **under this section** and functions performed [*thereunder*] **under the contracts** are

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 not subject to [*the State Personnel Relations Law or*] **ORS chapter 240 or** ORS 279A.140.

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