- 1 HB456
- 2 168082-4
- 3 By Representatives Williams (P), Patterson, Wood, Chesteen,
- 4 Tuggle, Collins, Garrett, Ball, Scott and Baker
- 5 RFD: Ways and Means General Fund
- 6 First Read: 09-APR-15

1	ENGROSSED
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4	A BILL
5	TO BE ENTITLED
6	AN ACT
7	
8	Relating to the Boards of Control of the Retirement
9	Systems of Alabama; to contract for a biannual portfolio
10	analysis of its investments to be made by an independent
11	brokerage firm, that works with state or municipal retirement
12	systems of states and municipalities and provide for a report
13	of the analysis to the Legislature.
14	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
15	Section 1. (a) The Boards of Control of the
16	Retirement Systems of Alabama shall cause a biannual portfolio
17	analysis of its investments to be made by an independent
18	brokerage firm, which customarily works with state or
19	municipal retirement systems and the report shall be presented
20	on or before the tenth legislative day of each regular session
21	of the Legislature.
22	(b) This biannual portfolio analysis shall be
23	performed based upon industry best practices and shall compare
24	plan expenses, portfolio allocations, and actual returns to
25	other states and municipalities that have comparable plans.
26	The report shall provide data covering compensation of
27	employees of the RSA to ensure Alabama is within industry

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norms. The report shall also focus on private placement
 investments within the system to ensure only best practices,
 arms-length transactions are executed.

4 (c) The brokerage firm that is selected to perform
5 the portfolio analysis may not be hired to manage any state
6 retirement funds.

Section 2. This act shall become effective on the
first day of the third month following its passage and
approval by the Governor, or its otherwise becoming law.

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3	House of Representatives	
4 5 6 7	Read for the first time and re- ferred to the House of Representa- tives committee on Ways and Means General Fund	)
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9 10 11	Read for the second time and placed on the calendar with 1 substitute and	
12		
13 14 15	Read for the third time and passed as amended 28-MAY-15 Yeas 94, Nays 0, Abstains 4	,

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Jeff Woodard Clerk