



House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL
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March 3, 2010

Mr. Speaker:

The Retirement and Independent Entities Committee recommends **H.B. 286, RETIREMENT SYSTEM DIVESTMENT**, by Representative Julie Fisher, be replaced and reports a favorable recommendation on **1st Sub. H.B. 286, RETIREMENT SYSTEM DIVESTMENT** with the following amendments:

1. *Page 1, Lines 16 through 19:*

16 ▶ requires the Retirement Office to prevent the investment of public funds in a
17 scrutinized company by adjusting future investment practices within the office and
18 by stipulating in future investment management contracts, that no new investments
19 may be made into direct holdings in a scrutinized company; and

2. *Page 3, Lines 70 through 76:*

70 (b) The office shall assemble a list of all identified scrutinized companies under
Subsection (2)(a) .

71 (c) The office shall update the list, on an annual basis, with information provided and
72 received from those entities listed in Subsection (2)(a).

73 (3) The office shall prepare an annual report of public fund investments into direct
holdings in scrutinized
74 companies.

75 (4) The report shall include amounts and other data and statistics designed to explain
76 the past and current extent to which public fund investments into direct holdings in
scrutinized companies;

3. *Page 3, Line 82 through Page 4, Line 90:*

82 (6) Beginning, July 1, 2010, using the most current list assembled under Subsection
83 (2), the office shall prevent the investment of public funds into direct holdings in a
scrutinized company:

84 (a) for public funds managed within the office, by not investing in direct
holdings in a scrutinized

Bill Number



HB0286S01

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- 85 company; and
86 (b) for public funds managed by contract by a professional investment manager:
87 (i) for existing contracts, by requesting that no more investments be made **into**
direct holdings in a
88 scrutinized company; and
89 (ii) for future contracts, by stipulating in the contract that no new investments may be
90 made **into direct holdings** in a scrutinized company.

Respectfully,

Don L. Ipson
Committee Chair

Voting: 5-1-3

7 HB0286.HC1.WPD 3/3/10 1:04 pm benchristensen/BNC CJD/MDA

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