STATE OF NEW YORK

11078

IN ASSEMBLY

April 24, 2026

Introduced by M. of A. RAJKUMAR -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the education law, in relation to prohibiting fund managers in certain retirement systems

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 18 of section 508 of the education law, as added by chapter 779 of the laws of 1982, is amended to read as follows:

18. [~~Notwithstanding any other provision of this section, the~~] **(a) Beginning on the effective date of the chapter of the laws of two thousand twenty-six which amended this subdivision, the** retirement board shall [~~have the power to delegate to one or more~~] **be prohibited from entering into any contract to engage, hire, invest with or commit to an** investment [~~managers its authority~~] **manager** to invest moneys belonging to the retirement system**, other than real property, by the fund**. [~~The term "investment managers" as used in this subdivision shall include but not be limited to independent contractors selected by the retirement board.~~]

(b) Beginning on the effective date of the chapter of the laws of two thousand twenty-six which amended this subdivision, the fund shall not renew any existing contracts to engage, hire, invest with or commit to an investment manager to assist in obtaining investments by the fund.

(c) For the purposes of this subdivision:

(i) "Investment manager" shall mean any person, other than an employee of the comptroller, or entity engaged by the common retirement fund to manage a part or all of an investment portfolio of the fund, other than real property owned by the fund.

(ii) "Manage" shall include, but is not limited to, the analysis of portfolio holdings, and the purchase, sale, and lending thereof.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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