STATE OF NEW YORK

2328

2017-2018 Regular Sessions

IN SENATE

January 13, 2017

Introduced by Sen. ALCANTARA -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the retirement and social security law and the state finance law, in relation to investment of the common retirement fund by the comptroller and creating an independent comptroller investment review commission, and making an appropriation therefor

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

Section 1. Section 13 of the retirement and social security law is amended by adding a new subdivision l to read as follows:

l. Consistent with the comptroller's role as the administrative head of the retirement system and sole trustee and fiduciary of the common retirement fund, the comptroller shall comply with the requirements of article fifteen-A of the executive law with respect to any contracts for investment services.

§ 2. Section 98-a of the state finance law is amended by adding a new subdivision 3 to read as follows:

3. The comptroller shall comply with the requirements of article fifteen-A of the executive law with respect to any contracts for investment services.

§ 3. The retirement and social security law is amended by adding a new section 423-d to read as follows:

§ 423-d. Comptroller investment review commission. 1. Appointment of members. There shall be established a comptroller investment review commission to consist of eleven members to be appointed as follows: five members shall be appointed by the governor, two members shall be appointed by the temporary president of the senate, two members shall be appointed by the speaker of the assembly, one member shall be appointed by the minority leader of the senate and one member shall be appointed by the minority leader of the assembly. Of the five members appointed by the governor one shall be selected from among the leadership of the

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

LBD06930-01-7

unions representing police, firefighters or state employees, one shall be an expert in the field of financial investing, and two shall be retirees of a public pension system. Members shall be representative of both the upstate and downstate urban and rural geographic areas of New York state and shall also represent underserved, economically at-risk areas.

2. Terms of office; vacancies. a. The terms of office of members of the commission shall be four years; provided that initial appointments shall be to staggered terms with the members appointed by the speaker and minority leader of the assembly to initial four-year terms, the members appointed by the temporary president and minority leader of the senate to initial three-year terms and members appointed by the governor to initial two-year terms. The members of the commission shall continue in office until the expiration of their terms and until their successors are appointed and have qualified. Such appointments shall be made within one year following the expiration of such terms.

b. Vacancies shall be filled for the unexpired terms within one year of the date upon which such vacancies occur in the same manner as the original appointment.

3. Meetings. a. The commission shall meet as frequently as its business may require, and at least twice in each year.

b. The governor shall designate one of the members of the commission to act as its chair.

4. Compensation and expenses. The members of the commission shall serve without compensation other than reimbursement of actual and necessary expenses.

5. Powers and duties. a. The commission shall:

(1) Monitor and report on the targeted investment programs created by the comptroller's office and assure that contributors of the fund and the communities they represent benefit from such programs.

(2) Monitor and report on the promotion of best investment practices in urban revitalization to include affordable housing, urban infrastructure, retail and office developments, investments in small and medium enterprises and woman and minority-owned businesses.

(3) Monitor and report on the use of women and minority-owned businesses in the operations of the comptroller's office in accordance with article fifteen-A of the executive law.

(4) Monitor and report on the use of minority and women-owned brokerage service providers when trading for the internally managed assets.

(5) Monitor and report on the use of the fund's external equity managers use of women and minority-owned brokers.

(6) Monitor and report on the use of women and minority-owned firms to execute long-term and short-term trades.

(7) Monitor and report on the economic development and infrastructure building of at-risk communities of the state to preserve affordable housing; the provisions of guaranteed market rate loans to small businesses; and programs to assist in transition to new economies where the manufacturing base is eroding.

b. The commission shall, on or before January fifteenth of each year, prepare a report to the comptroller, the legislature and the governor on its findings and recommendations with respect to the provisions of paragraph a of this subdivision.

§ 4. The sum of five hundred thousand dollars ($500,000), or so much thereof as may be necessary, is hereby appropriated for operating costs of the comptroller investment review commission out of any moneys in the state treasury in the general fund to the credit of the state purposes account, not otherwise appropriated, and made immediately available, for

the purpose of carrying out the provisions of this act. Such moneys shall be payable on the audit and warrant of the comptroller on vouchers certified or approved by the comptroller in the manner prescribed by law.

§ 5. This act shall take effect immediately.