

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:

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

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

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

10 3. The comptroller shall comply with the requirements of article
11 fifteen-A of the executive law with respect to any contracts for invest-
12 ment services.

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

15 § 423-d. Comptroller investment review commission. 1. Appointment of
16 members. There shall be established a comptroller investment review
17 commission to consist of eleven members to be appointed as follows:
18 five members shall be appointed by the governor, two members shall be
19 appointed by the temporary president of the senate, two members shall be
20 appointed by the speaker of the assembly, one member shall be appointed
21 by the minority leader of the senate and one member shall be appointed
22 by the minority leader of the assembly. Of the five members appointed by
23 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.

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

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

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

19 3. Meetings. a. The commission shall meet as frequently as its busi-
20 ness may require, and at least twice in each year.

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

23 4. Compensation and expenses. The members of the commission shall
24 serve without compensation other than reimbursement of actual and neces-
25 sary expenses.

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

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

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

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

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

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

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

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

48 b. The commission shall, on or before January fifteenth of each year,
49 prepare a report to the comptroller, the legislature and the governor on
50 its findings and recommendations with respect to the provisions of para-
51 graph a of this subdivision.

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

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

5 § 5. This act shall take effect immediately.