

# STATE OF NEW YORK

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1912

2023-2024 Regular Sessions

## IN SENATE

January 17, 2023

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Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT to amend the retirement and social security law, in relation to disclosing certain investment managers and investments

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

1 Section 1. Section 423 of the retirement and social security law, as  
2 amended by chapter 770 of the laws of 1970, is amended to read as  
3 follows:

4 § 423. Investments. 1. a. On and after April first, nineteen hundred  
5 sixty-seven, the comptroller shall invest the available monies of the  
6 common retirement fund in any investments and securities authorized by  
7 law for each retirement system and shall hold such investments in his  
8 name as trustee of such fund, notwithstanding any other provision of  
9 this chapter. Participating interests in such investments shall be cred-  
10 ited to each retirement system in the manner and at the time specified  
11 in ~~[paragraph]~~ subdivision two of section four hundred twenty-two of  
12 this article.

13 b. To assist in the management of the monies of the common retirement  
14 fund, the comptroller shall appoint an investment advisory committee  
15 consisting of not less than seven members who shall serve for his term  
16 of office. A vacancy occurring from any cause other than expiration of  
17 term shall be filled by the comptroller for the remainder of the term.  
18 Each member of the committee shall be experienced in the field of  
19 investments and shall have served, or shall be serving, as a senior  
20 officer or member of the board of an insurance company, banking corpo-  
21 ration or other financial or investment organization authorized to do  
22 business in the state of New York. The committee shall advise the comp-  
23 troller on investment policies relating to the monies of the common  
24 retirement fund and shall review, from time to time, the investment

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

LBD03065-01-3

1 portfolio of the fund and make such recommendations as may be deemed  
2 necessary.

3 2. The comptroller shall appoint a separate mortgage advisory commit-  
4 tee, with the advice and consent of the investment advisory committee,  
5 to review proposed mortgage and real estate investments by the common  
6 retirement fund. In making investments, as authorized by law, the comp-  
7 troller shall be guided by policies established by each committee from  
8 time to time; and, in the event the mortgage advisory committee disap-  
9 proves a proposed mortgage or real estate investment, such shall not be  
10 made.

11 3. No officer or employee of any state department or agency shall be  
12 eligible for membership on either committee. Each committee shall  
13 convene periodically on call of the comptroller, or on call of the  
14 chairman. The members of each committee shall be entitled to reimburse-  
15 ment for their actual and necessary expenses but shall receive no  
16 compensation for their services.

17 4. a. Any investment manager on contract with the office of state  
18 comptroller to make investment contracts for the office of state comp-  
19 troller division of pensions, investment, and cash management shall be  
20 disclosed to any enrollee of the New York state common retirement fund  
21 upon request.

22 b. The contents of investment contracts for the office of state comp-  
23 troller division of pensions, investment, and cash management and the  
24 contents of opportunistic investment contracts shall be disclosed to any  
25 enrollee of the New York state common retirement fund upon request.

26 c. For the purposes of this subdivision the term "opportunistic  
27 investment" shall mean any one-off investment that is brought by an  
28 investment manager and can only be sourced through such investment  
29 manager and shall include private equity funds, hedge funds and real  
30 estate funds. Such investments may be available only for a set time  
31 period determined by the investment manager and at a set price also  
32 determined by the investment manager. Opportunistic investments may also  
33 include public market products and niche strategies.

34 § 2. This act shall take effect on the sixtieth day after it shall  
35 have become a law.