

# 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:

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

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

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

17 (c) For the purposes of this subdivision:

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

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

24 § 2. This act shall take effect on the first of January next succeed-  
25 ing 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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