

STATE OF NEW YORK

8020--A

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

Introduced by Sens. COMRIE, MYRIE, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to diversity and inclusion in the management of public pension funds, ensure equitable access to investment opportunities, and foster the growth of emerging BIPOC (black, indigenous, and people of color) owned investment management firms within the state of New York (Part A); and to amend the executive law, in relation to fair investment practices by investment advisers within the state of New York (Part B)

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

1 Section 1. This act enacts into law provisions relating to equitable
2 investments. Each component is wholly contained within a Part identified
3 as Parts A and B. The effective date for each particular provision
4 contained within such Part is set forth in the last section of such
5 Part. Any provision in any section contained within a Part, including
6 the effective date of the Part, which makes a reference to a section "of
7 this act", when used in connection with that particular component, shall
8 be deemed to mean and refer to the corresponding section of the Part in
9 which it is found. Section three of this act sets forth the general
10 effective date of this act.

11 PART A

12 Section 1. Short title. This act shall be known and may be cited as
13 the "New York state agency BIPOC asset management and financial institu-
14 tion strategy act".

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

LBD05066-06-5

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

3 § 423-d. BIPOC-owned investment management firms; state of New York.
4 1. For the purposes of this section, the following terms shall have the
5 following meanings:

6 (a) "Best practices" shall mean industry-recognized standards and
7 guidelines for diversity, equity, and inclusion.

8 (b) "BIPOC" shall mean black, indigenous, and people of color.

9 (c) "BIPOC-owned firms" shall mean business enterprises owned by indi-
10 viduals from black, indigenous, and people of color communities.

11 (d) "Designated entities" shall mean entities governed by this
12 section, including but not limited to, the common retirement fund, the
13 New York state teachers' retirement system, and the New York state
14 insurance fund.

15 (e) "Emerging manager programs" shall mean programs designed to
16 enhance opportunities for small, disadvantaged, or BIPOC-owned business
17 enterprises.

18 (f) "Fiduciaries" shall mean individuals entrusted with fiduciary
19 duties within the designated entities.

20 2. (a) All public pension funds in the state shall provide opportu-
21 nities for emerging BIPOC-owned investment management firms. Such public
22 pension funds shall adopt an investment manager diversity policy to set
23 objectives for enhancing the utilization of BIPOC investment management
24 firms.

25 (b) Twenty percent of a public pension fund's total assets shall be
26 invested with BIPOC investment managers.

27 (c) Twenty-five percent of a public pension fund's active assets shall
28 be invested with BIPOC investment managers.

29 (d) There shall be an asset class breakdown as follows:

30 (i) thirty percent of a public pension fund's equity assets shall be
31 invested with BIPOC investment managers;

32 (ii) fifteen percent of a public pension fund's fixed income assets
33 shall be invested with BIPOC investment managers; and

34 (iii) fifteen percent of a public pension fund's alternative assets
35 shall be invested with BIPOC investment managers.

36 3. Pursuant to subdivision two of this section, the utilization stand-
37 ards shall serve as the minimum requirement, and such standards may be
38 subject to modification in response to changes in the number of BIPOC
39 investment managers that are capable of directly managing mandates from
40 a public pension fund.

41 4. (a) A public pension fund shall, within six months of the effective
42 date of this section, establish mechanisms to ensure compliance with the
43 investment manager diversity policy.

44 (b) The relevant authorities of each public pension fund shall report
45 annually to the comptroller on the progress and outcomes achieved in
46 meeting the utilization standards set forth in subdivision three of this
47 section.

48 (c) The comptroller shall compile and publish an annual report detail-
49 ing the progress and effectiveness of the investment manager diversity
50 policy.

51 5. (a) Within six months of the effective date of this section, each
52 public pension fund within the state shall develop a comprehensive
53 implementation plan to ensure compliance with the investment manager
54 diversity policy outlined in subdivision two of this section. This plan
55 shall detail the strategies, procedures, and timelines that such fund

1 shall adopt to achieve the specified utilization standards for BIPOC
2 investment managers across various asset classes.

3 (b) The governing body of each public pension fund shall submit an
4 annual progress report to the city comptroller outlining the advance-
5 ments made in fulfilling the investment manager diversity policy's
6 requirements. Such report shall include, but not be limited to:

7 (i) the total assets managed by BIPOC investment managers as a
8 percentage of the fund's total assets;

9 (ii) the active assets managed by BIPOC investment managers as a
10 percentage of the fund's active assets;

11 (iii) the allocation of equity, fixed income, and alternative assets
12 to BIPOC investment managers; and

13 (iv) an assessment of any challenges faced and steps taken to address
14 them.

15 (c) Each public pension fund shall provide a narrative report detail-
16 ing any initiatives, programs, or partnerships established to promote
17 the growth and development of BIPOC-owned investment management firms
18 within the state. Such report shall highlight successful collaborations
19 and the impact of these initiatives on diversifying the investment land-
20 scape.

21 (d) All annual reports submitted to the comptroller shall be made
22 publicly available on the fund's website, ensuring transparency and
23 accountability to the public.

24 6. (a) The comptroller shall review and assess the annual progress
25 reports submitted by the public pension funds.

26 (b) In the event that a public pension fund fails to meet the utiliza-
27 tion standards specified in subdivision two of this section, the comp-
28 troller shall work closely with such fund to identify the reasons for
29 non-compliance and provide guidance on corrective actions.

30 (c) The comptroller shall compile the information received from the
31 public pension funds and produce an annual report assessing the overall
32 progress and effectiveness of the investment manager diversity policy
33 across the state. Such report shall also include recommendations for
34 enhancing diversity and inclusion in asset management within the public
35 pension sector.

36 7. To promote awareness and understanding of the goals and benefits of
37 the investment manager diversity policy, each public pension fund shall
38 establish public outreach and educational programs that engage the
39 community, investment professionals, and other stakeholders. Such
40 programs may include seminars, workshops, webinars, and informational
41 materials that highlight the value of diverse investment management
42 teams and the potential for economic growth through BIPOC-owned busi-
43 nesses.

44 8. To support the growth of emerging BIPOC-owned investment management
45 firms, each public pension fund shall explore opportunities to provide
46 technical assistance, mentorship, and resources. Such support may encom-
47 pass financial education, networking opportunities, and guidance on
48 compliance and best practices, with the aim of fostering a vibrant
49 ecosystem of diverse investment professionals.

50 9. Five years after the effective date of this section, the city comp-
51 troller shall conduct a comprehensive review of the investment manager
52 diversity policy's impact on the public pension sector's diversity and
53 inclusion goals.

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

1 § 423-e. BIPOC-owned investment management firms; city of New York. 1.
2 For the purposes of this section, the following terms shall have the
3 following meanings:

4 (a) "Best practices" shall mean industry-recognized standards and
5 guidelines for diversity, equity, and inclusion.

6 (b) "BIPOC" shall mean black, indigenous, and people of color.

7 (c) "BIPOC-owned firms" shall mean business enterprises owned by indi-
8 viduals from black, indigenous, and people of color communities.

9 (d) "Designated entities" shall mean entities governed by this
10 section, including but not limited to, the common retirement fund, the
11 New York state teachers' retirement system, and the New York state
12 insurance fund.

13 (e) "Emerging manager programs" shall mean programs designed to
14 enhance opportunities for small, disadvantaged, or BIPOC-owned business
15 enterprises.

16 (f) "Fiduciaries" shall mean individuals entrusted with fiduciary
17 duties within the designated entities.

18 (g) "Municipality" shall mean any city, village, or incorporated town
19 with an inhabitant count one million or more but less than twelve
20 million, as determined by United States government statistics or a rele-
21 vant census.

22 (h) "Compensation" shall mean any money, thing of value, or economic
23 benefit conferred on or received by a consultant in exchange for
24 services rendered or to be rendered.

25 (i) "Economic opportunity" shall mean any transaction or arrangement
26 involving the purchase, sale, lease, contract, option, or other engage-
27 ment related to property or services, in which a consultant may gain an
28 economic benefit.

29 (j) "Trustees" shall mean the relevant governing body, such as city
30 councils, boards of trustees, and other appropriate authorities.

31 1-a. In each municipality and city as defined in paragraph (g) of
32 subdivision one of this section, the relevant governing body, such as
33 city councils, boards of trustees, and other appropriate authorities,
34 shall establish and administer specific funds as described in this
35 section for the benefit of police officers, firefighters, municipal
36 employees, officers, and public school teachers, along with their
37 surviving spouses, children, and certain other dependents.

38 2. (a) The trustees of each public pension fund in the city of New
39 York shall be mandated to allocate no less than forty percent of the
40 total dollar amount of the identified fund under management towards
41 investments through BIPOC asset managers, BIPOC financial institutions,
42 and BIPOC financial or professional service firms.

43 (b) Investment funds that do not fall under the BIPOC category shall
44 aspire to reach a minimum of twenty percent but shall strive to achieve
45 the goal of forty percent of funds received from the fund being allo-
46 cated towards BIPOC-led investments.

47 3. The scope of BIPOC investments covered by this section shall
48 include, but not be limited to, the following:

49 (a) investing assets of the various pension funds with BIPOC asset
50 managers, recognizing their expertise, experience, and unique perspec-
51 tives in managing investment portfolios; and

52 (b) subject to best execution practices:

53 (i) conducting trades of public equity securities with BIPOC financial
54 institutions, promoting collaboration and economic opportunities within
55 the BIPOC community; and

1 (ii) conducting trades of fixed-income securities through BIPOC insti-
2 tutions, contributing to the growth and development of BIPOC-led finan-
3 cial entities;

4 (c) allocating investments of all pension fund assets through:

5 (i) direct investments in the equities and debt securities of BIPOC
6 entities, fostering capital flow to BIPOC-led projects and businesses;
7 and

8 (ii) indirect investments through special programs involving BIPOC
9 asset managers, facilitating partnerships and promoting access to
10 investment opportunities; and

11 (d) awarding contracts for various financial and professional services
12 to BIPOC financial institutions and other BIPOC professional service
13 firms, ensuring equitable distribution of opportunities and supporting
14 the growth of BIPOC-led enterprises.

15 4. (a) The trustees of the various funds shall have the authority to
16 establish additional goals that supplement the requirements stated in
17 subdivision two of this section.

18 (b) Within sixty days of the conclusion of each fiscal year subsequent
19 to the effective date of this section, the trustees shall provide a
20 comprehensive report to the city comptroller. Such report shall detail
21 the participation of BIPOC asset managers, BIPOC financial institutions,
22 and BIPOC professional service providers in investment and brokerage
23 transactions, as well as their provision of services for the fund.

24 (c) Such report shall include a comparative analysis of the activities
25 outlined in subdivision three of this section in relation to all asset
26 managers, financial institutions, and professional service providers
27 engaged by the city comptroller of the pension fund during the relevant
28 period.

29 (d) Such report shall evaluate and highlight the progress and success
30 achieved in pursuing the aspirational goals outlined in subdivision two
31 of this section. These efforts shall be undertaken to the greatest
32 extent feasible, ensuring compliance with financial and fiduciary
33 prudence.

34 (e) Each report shall be promptly published on the official website of
35 the applicable investment fund, remaining accessible for a minimum peri-
36 od of sixty days following its release.

37 5. (a) Effective January first, two thousand twenty-six, and on each
38 subsequent January first thereafter, any consultant retained by the fund
39 shall disclose to the trustees all compensation and economic opportu-
40 nities received in the preceding twenty-four months from investment
41 advisors retained by the trustees.

42 (b) A consultant shall disclose to the trustees any compensation or
43 economic opportunity received within the past twenty-four months from an
44 investment advisor that is recommended for selection by such consultant.
45 Such disclosure shall be made prior to the trustees appointing an
46 investment advisor. No contract for consulting services shall be awarded
47 by the trustees of the fund without first requiring the consultant to
48 fulfill the necessary disclosure requirements stated within this
49 section.

50 6. To qualify for fund allocation as provided under this section, the
51 following minimum requirements shall be met by the respective firms:

52 (a) For real estate manager qualifications:

53 (i) the firm shall manage gross assets under management across all
54 clients that are less than two billion dollars at the inception of the
55 relationship;

1 (ii) the firm's latest fund offerings shall seek less than two hundred
2 fifty million dollars of equity;

3 (iii) real estate firms shall have at least forty-five percent of
4 their economic interests owned by principals and employees; and

5 (iv) qualified real estate managers shall operate and reside within
6 New York state.

7 (b) For private equity manager qualifications:

8 (i) the firm shall be a legally structured entity, adhering to all
9 applicable laws and regulations;

10 (ii) the firm shall have a private placement memorandum (PPM) in
11 place;

12 (iii) the firm shall raise a first, second, or third institutional
13 fund; and

14 (iv) The firm's institutional fund shall not exceed certain fund size
15 limits.

16 (c) For fixed income manager qualifications:

17 (i) the firm shall have two billion dollars or less in assets under
18 management;

19 (ii) the firm shall have a maximum of fifty percent non-employee
20 ownership; and

21 (iii) the firm shall be a legally structured entity with a valid
22 corporate tax identification number.

23 (d) For a registered investment advisor or exemption, the firm shall
24 be a registered investment advisor or qualify for exemption from regis-
25 tration.

26 § 4. This act shall take effect immediately.

27 PART B

28 Section 1. Short title. This act shall be known and may be cited as
29 the "New York state investment transparency act".

30 § 2. The executive law is amended by adding a new article 15-D to read
31 as follows:

32 ARTICLE 15-D

33 NEW YORK STATE INVESTMENT TRANSPARENCY ACT

34 Section 328-b. Definitions.

35 328-c. Reporting.

36 328-d. Remedies.

37 § 328-b. Definitions. For the purposes of this article, the following
38 terms shall have the following meanings:

39 1. "Covered entity" shall mean a venture capital company that:

40 (a) either:

41 (i) primarily engages in the business of investing in, or providing
42 financing to, startup, early-stage, or emerging growth companies; or

43 (ii) manages assets on behalf of third-party investors, including, but
44 not limited to, investments made on behalf of a state or local retire-
45 ment or public pension systems pursuant to article four-A of the retire-
46 ment and social security law; and

47 (b) meets at least one of the following criteria:

48 (i) is headquartered in New York;

49 (ii) has a significant presence or operational division in New York;

50 (iii) makes venture capital investments in businesses that are located
51 in, or have significant operations in, New York; and/or

52 (iv) solicits or receives investments from a person who is a resident
53 of New York.

1 2. "Diverse founding team member" shall mean a founding team member
2 who self-identifies as a woman, non-binary, Black, African American,
3 Hispanic, Latino-Latina, Asian, Pacific Islander, Native American,
4 Native Hawaiian, Alaskan Native, disabled, veteran or disabled veteran,
5 lesbian, gay, bisexual, transgender, or queer.

6 3. "Founding team member" means either:

7 (a) a person who:

8 (i) owned initial shares or similar ownership interests of the busi-
9 ness;

10 (ii) contributed to the concept of, research for, development of, or
11 work performed by the business before initial shares were issued; and

12 (iii) was not a passive investor in the business; or

13 (b) a person who has been designated as the chief executive officer,
14 president, chief financial officer, or manager of a business, or a role
15 with a similar level of authority.

16 4. "Investment advisor" shall have the same meaning as set forth in
17 subparagraph (v) of paragraph (a) of subdivision fourteen of section
18 three hundred fifty-nine-e of the general business law.

19 5. "Division" shall mean the division of minority and women's business
20 development, as established by section three hundred eleven of this
21 chapter.

22 § 328-c. Reporting. 1. Beginning on January first, two thousand twen-
23 ty-six, and annually thereafter, a covered entity shall report to the
24 division the following information regarding such entity's funding
25 determinations:

26 (a) The following information, at an aggregated level, shall be
27 reported for the founding teams of all businesses in which the covered
28 entity made a venture capital investment in the previous calendar year,
29 to the extent that such information has been provided as part of the
30 survey described in paragraph (a) of subdivision two of this section:

31 (i) the gender identity of each founding team member, inclusive of
32 non-binary and gender-fluid identities;

33 (ii) the racial background of each founding team member;

34 (iii) the ethnic background of each founding team member;

35 (iv) the disability status of each founding team member;

36 (v) whether any member of the founding team identifies as LGBTQIA+;

37 (vi) whether any member of the founding team is a veteran or a disa-
38 bled veteran;

39 (vii) whether any member of the founding team is a resident of New
40 York; and

41 (viii) whether any member of the founding team opted not to provide
42 any of the information detailed in subparagraphs (i) through (vii) of
43 this paragraph.

44 (b) During the previous calendar year, the number of venture capital
45 investments to businesses primarily founded by diverse founding team
46 members, as a percentage of the total number of venture capital invest-
47 ments the covered entity made, in the aggregate and broken down into the
48 categories described in subparagraphs (i) through (vii) of paragraph (a)
49 of this subdivision. The information provided pursuant to this paragraph
50 shall be anonymized.

51 (c) During the previous calendar year, the total amount of venture
52 capital investments to businesses primarily founded by diverse founding
53 team members, as a percentage of venture capital investments made by the
54 covered entity, in the aggregate and broken down into the categories
55 described in subparagraphs (i) through (vii) of paragraph (a) of this
56 subdivision.

1 (d) The total amount of funds in venture capital investments that the
2 covered entity invested in each business during the previous calendar
3 year.

4 (e) The principal place of business of each company in which the
5 covered entity made a venture capital investment during the prior calen-
6 dar year.

7 2. (a) A covered entity shall facilitate the collection of information
8 required by subdivision one of this section by offering each founding
9 team member of a business that has received funding from a venture capi-
10 tal firm under such covered entity's advisory services the opportunity
11 to partake in a survey.

12 (b) The survey described in paragraph (a) of this subdivision shall be
13 provided pursuant to a standardized form, as specified by the division.
14 Such survey shall include a "decline to state" option for each question
15 on the survey.

16 (c) A covered entity shall provide a written disclosure to each found-
17 ing team member prior to, or concurrently with, the survey described in
18 paragraph (a) of this subdivision which shall state the following:

19 (i) the founding team member's decision to disclose their demographic
20 information is voluntary.

21 (ii) no adverse action will be taken against the founding team member
22 if they decline to participate in the survey.

23 (iii) the aggregate data collected for each demographic category will
24 be reported to the division.

25 (d) A covered entity shall not provide the survey described in para-
26 graph (a) of this subdivision and the disclosure described in paragraph
27 (c) of this subdivision to a founding team member until after such
28 covered entity has executed an investment agreement with the business
29 and made the first transfer of funds.

30 (e) Neither a covered entity nor the division shall in any way encour-
31 age, incentivize, or attempt to influence the decision of a founding
32 team member to participate in the survey described in paragraph (a) of
33 this subdivision.

34 3. (a) A covered entity required to conduct the survey described in
35 paragraph (a) of subdivision two of this section shall:

36 (i) collect survey response data from founding team members in a
37 manner that does not associate the survey response data with an individ-
38 ual founding team member; and

39 (ii) report the survey response data in a manner that does not associ-
40 ate the survey response data with an individual founding team member.

41 (b) A covered entity may satisfy the requirements of this section by
42 providing a report prepared by a business that controls each venture
43 capital company to which the covered entity acted as an investment
44 adviser at any time during the prior calendar year if the report
45 contains all of the information required by paragraph (a) of subdivision
46 one of this section.

47 (c) The division shall make the reports received pursuant to this
48 section readily accessible, easily searchable, and easily downloadable
49 on the division's internet website.

50 (d) The division may publish aggregate results or aggregate informa-
51 tion based on the information received pursuant to this section.

52 (e) The division may use any information collected pursuant to this
53 section in furtherance of its statutory duties, including, but not
54 limited to, using such information in a civil action brought by the
55 division under this chapter or other law.

1 (f) A covered entity shall make and keep records related to its obli-
2 gations under this section. All records related to a report delivered to
3 the division pursuant to this section shall be preserved for at least
4 four years after a covered entity delivers such report. The division may
5 examine such records of a covered entity to determine such covered enti-
6 ty's compliance with the provisions of this section.

7 (g) The division shall charge and collect fees from covered entities
8 to cover the expenses incurred in the administration of this section,
9 which shall not exceed the reasonable costs of such administration.

10 § 328-d. Remedies. 1. (a) If a covered entity fails to file the report
11 required by subdivision one of section three hundred twenty-eight-c of
12 this article by January first of a given year, the division shall notify
13 such covered entity that such covered entity must submit such report
14 within sixty days of such notification.

15 (b) If a covered entity has not submitted the report required by
16 subdivision one of section three hundred twenty-eight-c of this article
17 within the sixty-day period prescribed in paragraph (a) of this subdivi-
18 sion, the division may file with the court of appeals an ex-parte peti-
19 tion, naming the covered entity as the respondent, seeking an order
20 providing the following reliefs:

21 (i) An order compelling the respondent to comply with this section.

22 (ii) An order requiring the respondent to pay a penalty to the divi-
23 sion sufficient to deter the respondent from failing to comply with this
24 article, as determined by the court. In making such determination, the
25 court shall consider all relevant factors, including, but not limited
26 to:

27 (A) the size of the respondent;

28 (B) the number of assets under management of the respondent; and

29 (C) the nature of the failure to comply with this section.

30 (iii) An order mandating the respondent to pay the division's reason-
31 able attorneys' fees and costs incurred in pursuing the action.

32 (iv) Any other relief that the court deems appropriate.

33 (c) The division may bring an action described in paragraph (b) of
34 this subdivision in:

35 (i) any county in which the division has a division; or

36 (ii) the county of the respondent's residence or principal place of
37 business.

38 2. (a) In an action brought pursuant to subdivision one of this
39 section, the court of appeals shall have jurisdiction to grant any of
40 the reliefs described in paragraph (b) of subdivision one of this
41 section.

42 (b) (i) If a petition filed by the division pursuant to paragraph (b)
43 of subdivision one of this section fails to set forth good cause for
44 relief, the court may enter an order denying such petition.

45 (ii) If a petition filed by the division pursuant to paragraph (b) of
46 subdivision one of this section sets forth good cause for relief, the
47 court shall issue an order to show cause to the respondent.

48 (c) The division shall serve the petition and the order to show cause
49 on the respondent in any manner within ten days of the issuance of the
50 order. The respondent shall file a response to the petition and the
51 order to show cause within twenty-one days of service.

52 (d) (i) The respondent has the option to request a hearing on the
53 petition and order to show cause as part of their response.

54 (ii) Within seven days of receiving the respondent's response, the
55 division may submit a request for a hearing.

1 (e) (i) The court, either at its discretion or upon request pursuant
2 to paragraph (d) of this subdivision, may conduct a hearing on the peti-
3 tion and order to show cause. The court shall schedule such hearing
4 within thirty days of the respondent's response and issue an order
5 granting or denying the petition within thirty days of such hearing.

6 (ii) If no hearing is convened, the court shall issue an order grant-
7 ing or denying the petition within thirty days of receiving the respond-
8 ent's response or following the expiration of the respondent's twenty-
9 one day response window, whichever is earlier, unless otherwise agreed
10 upon by the parties.

11 (iii) The court may, on its own motion and for good cause, extend any
12 time period described in subparagraph (i) of this paragraph by thirty
13 days.

14 (f) (i) The division shall serve on the respondent a copy of the
15 court's order granting or denying the petition in any manner within ten
16 days of issuance of such order.

17 (ii) If the court grants the petition in whole or in part, the order
18 shall:

19 (A) set forth the manner and time period in which the respondent shall
20 comply with the provisions of this section; and

21 (B) become effective ten days after it is served.

22 (iii) If the order denies the petition, such order shall become effec-
23 tive on the date it is served.

24 (g) The order of the court of appeals shall be final and, except as
25 provided for by this paragraph, not subject to review by appeal. A party
26 aggrieved by the order, or any part of such order, may, within fifteen
27 days after the service of such order, serve and file, in the appropriate
28 court of corresponding jurisdiction, a petition for a writ of mandamus
29 to compel the court of appeals to set aside or otherwise modify such
30 order.

31 (h) Monetary awards or judgments collected pursuant to this section
32 shall be deposited in the New York state workforce development capital
33 grant program.

34 § 3. This act shall take effect immediately.

35 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
36 sion, section or part of this act shall be adjudged by any court of
37 competent jurisdiction to be invalid, such judgment shall not affect,
38 impair, or invalidate the remainder thereof, but shall be confined in
39 its operation to the clause, sentence, paragraph, subdivision, section
40 or part thereof directly involved in the controversy in which such judg-
41 ment shall have been rendered. It is hereby declared to be the intent of
42 the legislature that this act would have been enacted even if such
43 invalid provisions had not been included herein.

44 § 3. This act shall take effect immediately; provided, however, that
45 the applicable effective date of Parts A and B of this act shall be as
46 specifically set forth in the last section of such Parts.