



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: GOV DP 7-2-0-0

HB 2213: governmental entities; proxy voting; prohibition

Sponsor: Representative Livingston, LD 28

House Engrossed

Overview

Prescribes requirements relating to the handling of public funds.

History

The State Treasurer is charged with receiving and keeping in secure custody all monies that belong to the state. Additionally, the State Treasurer is required to keep an account of all monies that are received and disbursed and keep separate accounts of the appropriations of money and the different funds ([A.R.S. § 41-172](#)).

Provisions

1. Directs the State Treasurer to post on its publicly accessible website a current list of state investments by name and investment managers and update any changes to the lists within a reasonable period of time. (Sec. 1)
2. Declares that all state investments must be made in the sole interest of the beneficiary taxpayer. (Sec. 1)
3. Requires the State Treasurer's evaluation of an investment to be based on pecuniary factors as statutorily prescribed. (Sec. 1)
4. Stipulates the following must be done when a governmental entity establishes or maintains a plan:
 - a) make all direct investment decisions based solely on pecuniary factors; and
 - b) vote all directly held shares based solely on pecuniary factors when voting proxies. (Sec. 2)
5. Instructs, if a governmental entity with a plan has indirect or commingled investments, notification be sent to the general partner or investment manager that for all possible cases the partner or manager must:
 - a) make investment decisions based solely on pecuniary factors; and
 - b) proportionally vote directly held shares based solely on pecuniary factors. (Sec. 2)
6. Defines *pecuniary factor* and *plan*. (Sec. 2)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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