

Bill Summary
1st Session of the 59th Legislature

Bill No.:	SB 470
Version:	INT
Request No.:	1494
Author:	Sen. Paxton
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Bill Analysis

SB 470 provides that all shares held by or on behalf of a state governmental entity shall be voted solely in the pecuniary interest of plan participants and their beneficiaries. The measure prohibits relying on the guidance of any entity listed by the Treasurer as it relates to the Energy Discrimination Act of 2022. Additionally, proxy voting shall not be granted to any person or entity that is not a part of the state government entity unless that person or entity has a practice of, and in writing commits to, following guidelines that match the state governmental entity's obligation to act solely upon pecuniary factors. Investment managers and fiduciaries may not adopt a practice of following the recommendations of a proxy adviser or other service provider, unless such adviser or service provider has a practice of, and in writing commits to, following proxy voting guidelines that match the governmental entity's obligation to act solely upon pecuniary factors. All proxy votes shall be tabulated and reported annually to the State Treasurer.

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