

SENATE BILL 702

By Tate

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 37 and Title 12, Chapter 3, Part 8, relative to asset management of pension funds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 37, Part 1, is amended by adding the following language as a new section:

8-37-117.

(a) The governor's office of diversity business enterprises shall conduct a study of the Tennessee consolidated retirement system and the management of system assets to determine:

(1) The capacity to select minority-owned business fund managers across all asset classes within the bounds of financial and fiduciary prudence;

(2) Methods that best assure the recruitment and selection of minority-owned businesses for fund-to-fund management or direct management; and

(3) The effect, if any, of § 8-37-113 pertaining to outside management of system assets by emerging investment managers.

(b) For the purpose of this section, "minority-owned business" shall have the same meaning as in § 12-3-802(4).

(c) On or before December 1, 2013, the governor's office of diversity business enterprises shall submit a report of its findings and recommendations to the governor, board of trustees and members of the general assembly.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.