

1                   A bill to be entitled  
2           An act relating to the State Board of Administration;  
3           amending s. 215.44, F.S.; providing for additional,  
4           appointed members of the board; providing for  
5           qualifications, terms, responsibilities, and status of  
6           board appointees; providing meeting and reporting  
7           requirements; specifying training requirements for board  
8           members; requiring the board to create an audit committee  
9           for certain purposes; specifying audit committee  
10          membership and member qualifications, terms, requirements,  
11          and status; specifying committee duties and  
12          responsibilities; providing committee authority;  
13          specifying response requirements of the executive director  
14          upon receipt of reports or recommendations from the  
15          committee; requiring the committee to recommend  
16          appointment of a Chief of Internal Audit; providing for  
17          appointment and powers and duties of the Chief of Internal  
18          Audit; requiring the board to procure regular external  
19          audits of the board; specifying audit requirements;  
20          deleting examination and reporting requirements of the  
21          Office of Program Policy Analysis and Government  
22          Accountability; amending s. 215.441, F.S.; requiring the  
23          board to appoint an executive director for certain  
24          purposes; specifying knowledge and experience requirements  
25          for and status of the executive director; amending s.  
26          215.442, F.S.; revising duties of the executive director;  
27          amending s. 215.444, F.S.; increasing membership of the  
28          Investment Advisory Council; providing additional duties

29 of the council; amending s. 215.475, F.S.; revising  
 30 investment policy statement requirements; creating s.  
 31 215.476, F.S.; providing definitions; requiring the board  
 32 to adopt standards of conduct for external investment  
 33 managers; providing for voiding certain contracts for  
 34 violations of a standard of conduct; amending ss. 121.153  
 35 and 215.47, F.S.; correcting cross-references; providing  
 36 an effective date.

37  
 38 Be It Enacted by the Legislature of the State of Florida:

39  
 40 Section 1. Section 215.44, Florida Statutes, is amended to  
 41 read:

42 215.44 State Board of Administration; powers and duties in  
 43 relation to investment of trust funds.—

44 (1) Except when otherwise specifically provided by the  
 45 State Constitution and subject to any limitations of the trust  
 46 agreement relating to a trust fund, the Board of Trustees of the  
 47 State Board of Administration, hereinafter sometimes referred to  
 48 as "board," or "board of trustees," composed of the Governor as  
 49 chair, the Chief Financial Officer, ~~and~~ the Attorney General,  
 50 and two additional members appointed by the Governor as provided  
 51 in subsection (2), shall invest all the funds in the System  
 52 Trust Fund, as defined in s. 121.021(36), and all other funds  
 53 specifically required by law to be invested by the board  
 54 pursuant to ss. 215.44-215.53 to the fullest extent that is  
 55 consistent with the cash requirements, trust agreement, and  
 56 investment objectives of the fund. Notwithstanding any other law

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57 | to the contrary, the State Board of Administration may invest  
58 | any funds of any state agency or any unit of local government  
59 | pursuant to the terms of a trust agreement with the head of the  
60 | state agency or the governing body of the unit of local  
61 | government, which trust agreement shall govern the investment of  
62 | such funds, provided that the board shall approve the  
63 | undertaking of such investment before execution of the trust  
64 | agreement by the State Board of Administration. The funds and  
65 | the earnings therefrom are exempt from the service charge  
66 | imposed by s. 215.20. As used in this subsection, the term  
67 | "state agency" has the same meaning as that provided in s.  
68 | 216.001, and the terms "governing body" and "unit of local  
69 | government" have the same meaning as that provided in s.  
70 | 218.403.

71 | (2) (a) The Governor shall appoint two members to the board  
72 | of trustees as follows:

73 | 1. One appointee must have extensive experience in  
74 | managing or overseeing investment portfolios valued at \$1  
75 | billion or more in any two or more of the following areas:  
76 | domestic equities, international equities, fixed-income  
77 | securities, cash management, alternative investments, strategic  
78 | investments, or real estate investment trusts.

79 | 2. One appointee must have extensive experience in the  
80 | auditing of large private or institutional investment portfolios  
81 | with a value of at least \$1 billion. Such appointee must also be  
82 | a participant or beneficiary of the system trust fund.

83 | (b) Appointments shall be for a term of 4 years, and  
84 | appointees shall serve at the pleasure of the Governor. A

85 vacancy shall be filled within 60 days after the occurrence of  
 86 the vacancy.

87 (c) Appointees shall have the same fiduciary  
 88 responsibilities as elected members of the board of trustees.

89 (d) Appointees shall undergo fiduciary training as  
 90 required by the board.

91 (e) Appointees shall be considered state officers for  
 92 purposes of s. 112.3145.

93 (f) Appointees shall be considered agents of the state for  
 94 purposes of s. 768.28.

95 (3) ~~(2)~~ (a) The board shall have the power to make  
 96 purchases, sales, exchanges, investments, and reinvestments for  
 97 and on behalf of the funds referred to in subsection (1), and it  
 98 shall be the duty of the board to see that moneys invested under  
 99 the provisions of ss. 215.44-215.53 are at all times handled in  
 100 the best interests of the state.

101 (b) In exercising investment authority pursuant to s.  
 102 215.47, the board may retain investment advisers or managers, or  
 103 both, external to in-house staff, to assist the board in  
 104 carrying out the power specified in paragraph (a).

105 (c) The board shall meet at least monthly, and receive  
 106 reports from the audit committee, investment advisory committee,  
 107 inspector general, general counsel, executive director, and such  
 108 other persons or entities as the board may require about the  
 109 financial status, operations, and investment activities of the  
 110 board.

111 (d) Members of the board shall undergo fiduciary training  
 112 on an annual basis, based on recommendations by the executive

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113 director.

114 (4) (a) The board shall create an audit committee to assist  
115 the board in fulfilling its oversight responsibilities in the  
116 areas of financial reporting, internal controls, risk  
117 assessment, audit processes, and compliance with laws and rules.  
118 The audit committee shall consist of six members who shall  
119 annually elect a chair. The Governor, the Chief Financial  
120 Officer, and the Attorney General shall each appoint two members  
121 of the audit committee. Each audit committee member shall be  
122 independent and free from any relationship that would interfere  
123 with the exercise of his or her independent judgment as a member  
124 of the committee. Each committee member shall serve a term of 4  
125 years at the pleasure of his or her appointing board member.  
126 Persons appointed to the audit committee shall have extensive  
127 experience in auditing institutional investment portfolios and  
128 shall undergo fiduciary training as required by the board.  
129 Members of the committee are state officers for purposes of s.  
130 112.3145.

131 (b) The audit committee shall independently and  
132 objectively monitor on an ongoing basis the board's processes  
133 for financial reporting, internal controls, risk assessment, and  
134 compliance with laws and rules. The audit committee shall meet  
135 monthly. The audit committee shall direct the audit efforts of  
136 the board's independent external auditors and the board's  
137 internal audit staff. The audit committee shall report, at least  
138 monthly, all findings and recommendations to the executive  
139 director and the board.

140 (c) The audit committee may:

141 1. Seek any information it requires from board employees,  
 142 who shall provide such information upon request, and from third  
 143 parties.

144 2. Meet with the investment advisory council, the investor  
 145 council, board employees, or external auditors as necessary.

146 3. Review and recommend approval of the budget for the  
 147 Office of Internal Audit to the board.

148 4. Retain outside accountants, consultants, attorneys, or  
 149 others approved by the board to assist in the conduct of an  
 150 audit, review, or special investigation as directed by the  
 151 board.

152 (d) Upon receipt of any audit report or recommendation  
 153 from the committee, the executive director shall, within 30  
 154 days, respond in writing and shall indicate whether action will  
 155 be taken. The executive director shall specify what action shall  
 156 be taken and the expected timeframe for such action or the  
 157 reasons for not taking action. A copy of the executive  
 158 director's written response shall be provided to the committee  
 159 and the board.

160 (e) The committee shall recommend a Chief of Internal  
 161 Audit, who shall be appointed by the board and who shall have  
 162 those powers and duties set by the committee and approved by the  
 163 board. The Chief of Internal Audit shall report functionally to  
 164 the committee and administratively to the executive director.

165 (5)~~(3)~~ Notwithstanding any law to the contrary, all  
 166 investments made by the State Board of Administration pursuant  
 167 to ss. 215.44-215.53 shall be subject to the restrictions and  
 168 limitations contained in s. 215.47.

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169        (6)~~(4)~~ The board shall prepare and approve an operating  
170 budget each fiscal year consistent with the provisions of  
171 chapter 216. The approved operating budget shall be submitted to  
172 the legislative appropriation committees and the Executive  
173 Office of the Governor prior to July 1 of each year.

174        (7)~~(5)~~ On or before January 1 of each year, the board  
175 shall provide to the Legislature a report including the  
176 following items for each fund which, by law, has been entrusted  
177 to the board for investment:

178            (a) A schedule of the annual beginning and ending asset  
179 values and changes and sources of changes in the asset value of:

- 180            1. Each fund managed by the board; and  
181            2. Each asset class and portfolio within the Florida  
182 Retirement System Trust Fund.

183            (b) A description of the investment policy for each fund,  
184 and changes in investment policy for each fund since the  
185 previous annual report.

186            (c) A description of compliance with investment strategy  
187 for each fund.

188            (d) A description of the risks inherent in investing in  
189 financial instruments of the major asset classes held in the  
190 fund.

191            (e) A summary of the type and amount of technology and  
192 growth investments held by each fund.

193            (f) Other information deemed of interest by the executive  
194 director of the board.

195        (8)~~(6)~~ The board, on the recommendation of the audit  
196 committee, shall procure annual external audits of the State

197 Board of Administration, which must include the financial  
 198 condition, compliance, internal controls, and operations of the  
 199 board. The board shall submit audit reports to the President of  
 200 the Senate and Speaker of the House of Representatives within 15  
 201 days after completion of the audit. ~~The Office of Program Policy~~  
 202 ~~Analysis and Government Accountability shall examine the board's~~  
 203 ~~management of investments every 2 years. The Office of Program~~  
 204 ~~Policy Analysis and Government Accountability shall submit such~~  
 205 ~~reports to the board, the President of the Senate, and the~~  
 206 ~~Speaker of the House of Representatives and their designees.~~

207 (9) ~~(7)~~ Investment and debt purchasing procedures and  
 208 contracts of funds held in trust by the State Board of  
 209 Administration, whether directly or incidentally related to the  
 210 investment or debt transactions, are exempt from the provisions  
 211 of chapter 287.

212 (10) ~~(8)~~ (a) In order to effectively and efficiently  
 213 administer the real estate investment program of the State Board  
 214 of Administration, the Legislature finds a public necessity in  
 215 protecting specified records of the board. Accordingly, records  
 216 and information relating to acquiring, hypothecating, or  
 217 disposing of real property or related personal property or  
 218 mortgage interests in same, as well as interest in collective  
 219 real estate investment funds, publicly traded securities, or  
 220 private placement investments, are confidential and exempt from  
 221 s. 119.07(1) in order to protect proprietary information  
 222 requisite to the board's ability to transact arms length  
 223 negotiations necessary to successfully compete in the real  
 224 estate investment market. All reports and documents relating to



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225 value, offers, counteroffers, or negotiations are confidential  
226 and exempt from s. 119.07(1) until closing is complete and all  
227 funds have been disbursed. Reports and documents relating to  
228 tenants, leases, contracts, rent rolls, and negotiations in  
229 progress are confidential and exempt from the provisions of s.  
230 119.07(1) until the executive director determines that releasing  
231 such information would not be detrimental to the interests of  
232 the board and would not cause a conflict with the fiduciary  
233 responsibilities of the State Board of Administration.

234 (b) In order to effectively and efficiently administer the  
235 investment programs of the board, the Legislature finds a public  
236 necessity in protecting records other than those described in  
237 paragraph (a). Accordingly, records and other information  
238 relating to investments made by the board pursuant to its  
239 constitutional and statutory investment duties and  
240 responsibilities are confidential and exempt from s. 119.07(1)  
241 until 30 days after completion of an investment transaction.  
242 However, if in the opinion of the executive director of the  
243 board it would be detrimental to the financial interests of the  
244 board or would cause a conflict with the fiduciary  
245 responsibilities of the board, information concerning service  
246 provider fees may be maintained as confidential and exempt from  
247 s. 119.07(1) until 6 months after negotiations relating to such  
248 fees have been terminated. This exemption prevents the use of  
249 confidential internal investment decisions of the State Board of  
250 Administration for improper personal gain.

251 (c)1. As used in this paragraph, the term:

252 a. "Alternative investment" means an investment by the

253 State Board of Administration in a private equity fund, venture  
 254 fund, hedge fund, or distress fund or a direct investment in a  
 255 portfolio company through an investment manager.

256 b. "Alternative investment vehicle" means the limited  
 257 partnership, limited liability company, or similar legal  
 258 structure or investment manager through which the State Board of  
 259 Administration invests in a portfolio company.

260 c. "Portfolio company" means a corporation or other  
 261 issuer, any of whose securities are owned by an alternative  
 262 investment vehicle or the State Board of Administration and any  
 263 subsidiary of such corporation or other issuer.

264 d. "Portfolio positions" means individual investments in  
 265 portfolio companies which are made by the alternative investment  
 266 vehicles, including information or specific investment terms  
 267 associated with any portfolio company investment.

268 e. "Proprietor" means an alternative investment vehicle, a  
 269 portfolio company in which the alternative investment vehicle is  
 270 invested, or an outside consultant, including the respective  
 271 authorized officers, employees, agents, or successors in  
 272 interest, which controls or owns information provided to the  
 273 State Board of Administration.

274 f. "Proprietary confidential business information" means  
 275 information that has been designated by the proprietor when  
 276 provided to the State Board of Administration as information  
 277 that is owned or controlled by a proprietor; that is intended to  
 278 be and is treated by the proprietor as private, the disclosure  
 279 of which would harm the business operations of the proprietor  
 280 and has not been intentionally disclosed by the proprietor

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281 unless pursuant to a private agreement that provides that the  
282 information will not be released to the public except as  
283 required by law or legal process, or pursuant to law or an order  
284 of a court or administrative body; and that concerns:

285 (I) Trade secrets as defined in s. 688.002.

286 (II) Information provided to the State Board of  
287 Administration regarding a prospective investment in a private  
288 equity fund, venture fund, hedge fund, distress fund, or  
289 portfolio company which is proprietary to the provider of the  
290 information.

291 (III) Financial statements and auditor reports of an  
292 alternative investment vehicle.

293 (IV) Meeting materials of an alternative investment  
294 vehicle relating to financial, operating, or marketing  
295 information of the alternative investment vehicle.

296 (V) Information regarding the portfolio positions in which  
297 the alternative investment vehicles invest.

298 (VI) Capital call and distribution notices to investors of  
299 an alternative investment vehicle.

300 (VII) Alternative investment agreements and related  
301 records.

302 (VIII) Information concerning investors, other than the  
303 State Board of Administration, in an alternative investment  
304 vehicle.

305 g. "Proprietary confidential business information" does  
306 not include:

307 (I) The name, address, and vintage year of an alternative  
308 investment vehicle and the identity of the principals involved

309 | in the management of the alternative investment vehicle.

310 |       (II) The dollar amount of the commitment made by the State  
311 | Board of Administration to each alternative investment vehicle  
312 | since inception.

313 |       (III) The dollar amount and date of cash contributions  
314 | made by the State Board of Administration to each alternative  
315 | investment vehicle since inception.

316 |       (IV) The dollar amount, on a fiscal-year-end basis, of  
317 | cash distributions received by the State Board of Administration  
318 | from each alternative investment vehicle.

319 |       (V) The dollar amount, on a fiscal-year-end basis, of cash  
320 | distributions received by the State Board of Administration plus  
321 | the remaining value of alternative-vehicle assets that are  
322 | attributable to the State Board of Administration's investment  
323 | in each alternative investment vehicle.

324 |       (VI) The net internal rate of return of each alternative  
325 | investment vehicle since inception.

326 |       (VII) The investment multiple of each alternative  
327 | investment vehicle since inception.

328 |       (VIII) The dollar amount of the total management fees and  
329 | costs paid on an annual fiscal-year-end basis by the State Board  
330 | of Administration to each alternative investment vehicle.

331 |       (IX) The dollar amount of cash profit received by the  
332 | State Board of Administration from each alternative investment  
333 | vehicle on a fiscal-year-end basis.

334 |       2. Proprietary confidential business information held by  
335 | the State Board of Administration regarding alternative  
336 | investments is confidential and exempt from s. 119.07(1) and s.

337 24(a), Art. I of the State Constitution for 10 years after the  
 338 termination of the alternative investment. This exemption  
 339 applies to proprietary confidential business information held by  
 340 the State Board of Administration before, on, or after October  
 341 1, 2006.

342 3. Notwithstanding the provisions of subparagraph 2., a  
 343 request to inspect or copy a record under s. 119.07(1) which  
 344 contains proprietary confidential business information shall be  
 345 granted if the proprietor of the information fails, within a  
 346 reasonable period of time after the request is received by the  
 347 State Board of Administration, to verify the following to the  
 348 State Board of Administration through a written declaration in  
 349 the manner provided by s. 92.525:

350 a. That the requested record contains proprietary  
 351 confidential business information and the specific location of  
 352 such information within the record;

353 b. If the proprietary confidential business information is  
 354 a trade secret, a verification that it is a trade secret as  
 355 defined in s. 688.002;

356 c. That the proprietary confidential business information  
 357 is intended to be and is treated by the proprietor as private,  
 358 is the subject of efforts of the proprietor to maintain its  
 359 privacy, and is not readily ascertainable or publicly available  
 360 from any other source; and

361 d. That the disclosure of the proprietary confidential  
 362 business information to the public would harm the business  
 363 operations of the proprietor.

364 4. Any person may petition a court of competent

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365 jurisdiction for an order for the public release of those  
366 portions of any record made confidential and exempt by  
367 subparagraph 2. Any action under this subparagraph must be  
368 brought in Leon County, Florida, and the petition or other  
369 initial pleading shall be served on the State Board of  
370 Administration and, if determinable upon diligent inquiry, on  
371 the proprietor of the information sought to be released. In any  
372 order for the public release of a record under this  
373 subparagraph, the court shall make a finding that the record or  
374 portion thereof is not a trade secret as defined in s. 688.002,  
375 that a compelling public interest is served by the release of  
376 the record or portions thereof which exceed the public necessity  
377 for maintaining the confidentiality of such record, and that the  
378 release of the record will not cause damage to or adversely  
379 affect the interests of the proprietor of the released  
380 information, other private persons or business entities, the  
381 State Board of Administration, or any trust fund, the assets of  
382 which are invested by the State Board of Administration.

383 5. This paragraph is subject to the Open Government Sunset  
384 Review Act in accordance with s. 119.15 and shall stand repealed  
385 on October 2, 2011, unless reviewed and saved from repeal  
386 through reenactment by the Legislature.

387 (11)~~(9)~~ In connection with any investment pursuant to s.  
388 215.47, the State Board of Administration may enter into an  
389 indemnification agreement provided that, under any such  
390 agreement, the liability of the State Board of Administration is  
391 limited to the amount of its investment and the State Board of  
392 Administration is not obligated to indemnify against loss caused

393 | by the negligence or fault of the person seeking  
 394 | indemnification.

395 |       Section 2. Section 215.441, Florida Statutes, is amended  
 396 | to read:

397 |       215.441 State Board of Administration; appointment of  
 398 | executive director.—

399 |       (1) The State Board of Administration shall appoint an  
 400 | executive director to manage and invest funds as directed by the  
 401 | board. The executive director must have proven knowledge and  
 402 | expertise in overseeing institutional investment portfolios. The  
 403 | executive director shall have extensive experience in any two or  
 404 | more of the following areas: domestic equities, international  
 405 | equities, fixed-income securities, cash management, alternative  
 406 | investments, strategic investments, or real estate investment  
 407 | trusts. The board may set additional requirements for  
 408 | appointment.

409 |       (2) The appointment of the executive director ~~of the State~~  
 410 | ~~Board of Administration~~ shall be subject to the approval by a  
 411 | majority vote of the Board of Trustees of the State Board of  
 412 | Administration, and the Governor must vote on the prevailing  
 413 | side. Such appointment must be reaffirmed in the same manner by  
 414 | the board of trustees on an annual basis.

415 |       (3) The executive director is a state officer for purposes  
 416 | of s. 112.3145.

417 |       Section 3. Subsection (1) of section 215.442, Florida  
 418 | Statutes, is amended to read:

419 |       215.442 Executive director; reporting requirements; public  
 420 | meeting.—

421           (1) ~~Beginning October 2007 and quarterly thereafter,~~ The  
 422 executive director shall present to the Board of Trustees of the  
 423 State Board of Administration a quarterly report to include the  
 424 following:

425           (a) The name of each equity in which the State Board of  
 426 Administration has invested for the quarter.

427           (b) The industry category of each equity.

428           (c) The type and value of assets that have been downgraded  
 429 during the preceding quarter.

430           Section 4. Subsection (1) of section 215.444, Florida  
 431 Statutes, is amended to read:

432           215.444 Investment Advisory Council.—

433           (1) There is created a nine-member ~~six-member~~ Investment  
 434 Advisory Council to review the investments made by the staff of  
 435 the State Board of Administration and to make recommendations to  
 436 the board regarding investment policy, strategy, and procedures.  
 437 The council shall annually recommend asset allocations for funds  
 438 held by the board. The council shall review and recommend new  
 439 asset classes and shall review and recommend all new investments  
 440 in a single security valued at over \$100 million, except for  
 441 direct obligations of the Federal Government, to be considered  
 442 by the board.

443           Section 5. Section 215.475, Florida Statutes, is amended  
 444 to read:

445           215.475 Investment policy statement.—

446           ~~(1)~~ In making investments for the System Trust Fund  
 447 pursuant to ss. 215.44-215.53, the board shall make no  
 448 investment which is not in conformance with the Florida



449 Retirement System Defined Benefit Plan Investment Policy  
450 Statement, hereinafter referred to as "the IPS," as developed by  
451 the executive director and the Investment Advisory Council and  
452 approved by the board. The IPS must include, among other items,  
453 the investment objectives of the System Trust Fund; permitted  
454 types of securities in which the board may invest; and  
455 evaluation criteria necessary to measure the investment  
456 performance of the fund. As required from time to time, the  
457 executive director of the board may present recommended changes  
458 in the IPS to the board for approval.

459 ~~(2) Prior to any recommended changes in the IPS being~~  
460 ~~presented to the board, the executive director of the board~~  
461 ~~shall present such changes to the Investment Advisory Council~~  
462 ~~for review. The council shall present the results of its review~~  
463 ~~to the board prior to the board's final approval of the IPS or~~  
464 ~~changes in the IPS.~~

465 Section 6. Section 215.476, Florida Statutes, is created  
466 to read:

467 215.476 Ethics and disclosure requirements for external  
468 investment managers.—

469 (1) For purposes of this section, the term:

470 (a) "External investment manager" includes all types of  
471 investment partners, including general partners, managers,  
472 investment managers, and sponsors of hedge funds, private equity  
473 funds, limited liability entities, and real estate funds, as  
474 well as investment managers, whether through a separate account  
475 or commingled trust, retained pursuant to a contract.

476       (b) "Placement agent" means any employee or third-party  
 477 intermediary that is directly or indirectly hired, used,  
 478 retained, compensated, or otherwise given anything having  
 479 monetary value or benefit, tangible or intangible, by an  
 480 external investment manager to assist the investment firm in  
 481 securing investment commitments or other business from the board  
 482 and includes, but is not limited to, all placement agents,  
 483 lobbyists, solicitors, brokers, finders, third-party marketers,  
 484 or any other entities or persons engaged by an external  
 485 investment manager or its affiliates, directly or indirectly,  
 486 for the purpose of marketing or securing investor commitments or  
 487 other business.

488       (2) The board by rule shall adopt standards of conduct  
 489 applicable to external investment managers retained pursuant to  
 490 s. 215.44(3)(b). Such standards shall include disclosures of  
 491 conflicts of interest; compensation arrangements or agreements  
 492 with any placement agent; a description of services performed by  
 493 the placement agent; resumes of officers, partners, or  
 494 principals of the placement agent; and any direct or indirect  
 495 pecuniary interests the external investment manager has with any  
 496 placement agent.

497       (3) A contract under which an external investment manager  
 498 renders financial services or advice to the board is voidable by  
 499 the board if the external investment manager violates a standard  
 500 of conduct adopted under this section.

501       Section 7. Paragraph (a) of subsection (2) of section  
 502 121.153, Florida Statutes, is amended to read:

503       121.153 Investments in institutions doing business in or

504 with Northern Ireland.—

505 (2) (a) Notwithstanding any other provision of law, and  
 506 consistent with the investment policy set forth in ss.  
 507 215.44 (3) ~~(2)~~ and 215.47(10), the moneys or assets of the System  
 508 Trust Fund invested or deposited in any financial institution,  
 509 as defined in s. 655.005, which, directly or through a  
 510 subsidiary, on or after October 1, 1988, makes any loan, extends  
 511 credit of any kind or character, or advances funds in any manner  
 512 to Northern Ireland or national corporations of Northern Ireland  
 513 or agencies or instrumentalities thereof shall reflect the  
 514 extent to which such entities have endeavored to eliminate  
 515 ethnic or religious discrimination as determined pursuant to  
 516 paragraph (1) (b).

517 Section 8. Subsection (15) of section 215.47, Florida  
 518 Statutes, is amended to read:

519 215.47 Investments; authorized securities; loan of  
 520 securities.—Subject to the limitations and conditions of the  
 521 State Constitution or of the trust agreement relating to a trust  
 522 fund, moneys available for investments under ss. 215.44-215.53  
 523 may be invested as follows:

524 (15) With no more, in the aggregate, than 10 percent of  
 525 any fund in alternative investments, as defined in s.  
 526 215.44 (10) ~~(8)~~ (c) 1.a., through participation in the vehicles  
 527 defined in s. 215.44 (10) ~~(8)~~ (c) 1.b., or in securities or  
 528 investments that are not publicly traded and are not otherwise  
 529 authorized by this section.

530 Section 9. This act shall take effect July 1, 2010.