

By Senator Ring

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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 two additional
4 members to be appointed to the Board of Trustees of
5 the State Board of Administration by the Governor;
6 requiring the board of trustees to meet at least
7 quarterly, receive training, and create an audit
8 committee; providing for the membership, appointment,
9 and terms of the audit committee; providing the powers
10 and duties of the committee; deleting the requirement
11 that the Office of Program Policy Analysis and
12 Government Accountability examine the investment
13 management of the state board and instead requiring
14 external audits of the state board; amending s.
15 215.441, F.S.; specifying experience requirements for
16 the executive director of the state board; providing
17 that the executive director is a state officer;
18 amending s. 215.442, F.S.; revising the requirements
19 for the quarterly report submitted to the board of
20 trustees by the executive director; amending s.
21 215.444, F.S.; increasing the membership of the
22 Investment Advisory Council to the state board;
23 revising the duties of the council; providing that
24 members of the council are state officers; amending s.
25 215.47, F.S.; conforming a cross-reference; amending
26 s. 215.475, F.S.; revising provisions relating to the
27 investment policy statement approved by the board of
28 trustees; creating s. 215.476, F.S.; establishing
29 ethics standards for the investment advisers and

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30 managers to the state board; creating s. 215.477,
31 F.S.; providing for annual disclosure statements by
32 investment advisers and managers to the state board;
33 specifying what must be disclosed; amending s.
34 121.153, F.S.; conforming a cross-reference; providing
35 an effective date.

36
37 Be It Enacted by the Legislature of the State of Florida:

38
39 Section 1. Section 215.44, Florida Statutes, is amended to
40 read:

41 215.44 Board of Administration; powers and duties in
42 relation to investment of trust funds.—

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

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59 state agency or the governing body of the unit of local
60 government, which trust agreement shall govern the investment of
61 such funds, provided ~~that~~ the board approves ~~shall approve~~ the
62 undertaking of such investment before execution of the trust
63 agreement by the State board of Administration. The funds and
64 the earnings therefrom are exempt from the service charge
65 imposed by s. 215.20. As used in this subsection, the term
66 "state agency" has the same meaning as ~~that~~ provided in s.
67 216.011(1) ~~216.001~~, and the terms "governing body" and "unit of
68 local government" have the same meaning as ~~that~~ provided in s.
69 218.403.

70 (2) The Governor shall appoint two members to the board of
71 trustees, one of whom must have demonstrated training and
72 experience in the fields of institutional investment or finance,
73 and one of whom must have demonstrated training and experience
74 in the fields of institutional investment or finance and be a
75 participant or beneficiary of the pension fund.

76 (a) Appointments shall be for a term of 4 years, and the
77 appointees shall serve at the pleasure of the Governor.
78 Vacancies must be filled within 60 days after the occurrence of
79 a vacancy.

80 (b) The appointees shall have the same fiduciary
81 responsibilities as elected members of the board.

82 (c) The appointees must undergo fiduciary training as
83 required by the board.

84 (d) The appointees are considered state officers for
85 purposes of s. 112.3145.

86 (e) The appointees are considered agents of the state for
87 purposes of s. 768.28.

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88 ~~(3)(2)(a)~~ The board shall have the power to make purchases,
89 sales, exchanges, investments, and reinvestments for and on
90 behalf of the funds referred to in subsection (1), and it is
91 ~~shall be~~ the duty of the board to see that moneys invested under
92 ~~the provisions of~~ ss. 215.44-215.53 are at all times handled in
93 the best interests of the state.

94 ~~(a)(b)~~ In exercising investment authority pursuant to s.
95 215.47, the board may retain investment advisers or managers, or
96 both, external to in-house staff, to assist the board in
97 carrying out the power specified in this subsection ~~paragraph~~
98 ~~(a)~~.

99 (b) The board of trustees shall meet at least quarterly and
100 receive reports from the audit committee, the investment
101 advisory committee, the inspector general, general counsel,
102 executive director, and such other persons as the board may
103 require about the financial status, operations, and investment
104 activities of the State Board of Administration.

105 (c) Members of the board must undergo fiduciary training on
106 an annual basis, based on the recommendations of the executive
107 director.

108 (4) The board shall create an audit committee to assist the
109 board in fulfilling its oversight responsibilities in the areas
110 of financial reporting, internal controls and risk assessment,
111 audit processes, and compliance with laws and rules.

112 (a) The audit committee shall be chaired by the Chief
113 Financial Officer and shall consist of six members. In addition
114 to the Chief Financial Officer, the Governor and the Attorney
115 General shall each appoint two members and the Chief Financial
116 Officer shall appoint one member. An appointed committee member

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117 must be independent and free from any relationship that would
118 interfere with the exercise of his or her independent judgment
119 as a member of the committee. Each appointed committee member
120 shall serve a term of 4 years at the pleasure of the appointing
121 board member. Persons appointed to the audit committee must have
122 relevant knowledge and expertise as determined by the board, and
123 shall undergo fiduciary training as required by the board.
124 Members of the committee are state officers for the purposes of
125 s. 112.3145.

126 (b) The audit committee shall independently and objectively
127 monitor on an ongoing basis the state board's processes for
128 financial reporting, internal controls and risk assessment, and
129 compliance with laws and rules. The audit committee shall direct
130 the audit efforts of the state board's independent external
131 auditors and the state board's internal audit staff. The
132 committee shall report, at least quarterly, all findings and
133 recommendations to the executive director and the board of
134 trustees.

135 (c) The audit committee may:

136 1. Seek any information it requires from state board
137 employees, who shall provide such information upon request, and
138 from third parties;

139 2. Meet with the investment advisory council, the investor
140 council, state board employees, or external auditors as
141 necessary;

142 3. Review and approve the budget for the Office of Internal
143 Audit; and

144 4. Retain outside accountants, consultants, attorneys, or
145 others approved by the board to assist in conducting audits,

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146 reviews, or special investigations as directed by the board.

147 (d) Upon receipt of an audit report or recommendation from
148 the audit committee, the executive director shall, within 30
149 days, respond in writing and indicate whether action will be
150 taken. The executive director shall specify what action shall be
151 taken or the reasons for not taking action. A copy of the
152 executive director's written response shall be provided to the
153 committee and to the board.

154 (e) The audit committee shall appoint a Chief of Internal
155 Audit, who shall have the powers and duties set by the committee
156 and shall report to the committee.

157 (f) The audit committee may have other powers and duties as
158 set by the board.

159 (5)-(3) Notwithstanding any law to the contrary, all
160 investments made by the State Board of Administration pursuant
161 to ss. 215.44-215.53 are shall be subject to the restrictions
162 and limitations contained in s. 215.47.

163 (6)-(4) The board shall prepare and approve an operating
164 budget each fiscal year consistent with the provisions of
165 chapter 216. The approved operating budget shall be submitted to
166 the legislative appropriation committees and the Executive
167 Office of the Governor before ~~prior to~~ July 1 of each year.

168 (7)-(5) On or before January 1 of each year, the board shall
169 provide to the Legislature a report including the following
170 items for each fund which, by law, has been entrusted to the
171 board for investment:

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

174 1. Each fund managed by the board; and

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175 2. Each asset class and portfolio within the Florida
176 Retirement System Trust Fund.

177 (b) A description of the investment policy for each fund,
178 and changes in investment policy for each fund since the
179 previous annual report.

180 (c) A description of compliance with investment strategy
181 for each fund.

182 (d) A description of the risks inherent in investing in
183 financial instruments of the major asset classes held in the
184 fund.

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

187 (f) Other information deemed of interest by the executive
188 director of the board.

189 (8)-(6) Upon the recommendation of the audit committee, the
190 board shall procure regular external audits of the State Board
191 of Administration, to be conducted at least once every 3 years.
192 Such audits must include financial condition, compliance,
193 internal controls, and operations. Final audit reports shall be
194 submitted to the President of the Senate and the Speaker of the
195 House of Representatives within 15 days after completion. The
196 Office of Program Policy Analysis and Government Accountability
197 shall examine the board's management of investments every 2
198 years. The Office of Program Policy Analysis and Government
199 Accountability shall submit such reports to the board, the
200 President of the Senate, and the Speaker of the House of
201 Representatives and their designees.

202 (9)-(7) Investment and debt purchasing procedures and
203 contracts of funds held in trust by the State Board of

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204 Administration, whether directly or incidentally related to the
205 investment or debt transactions, are exempt from ~~the provisions~~
206 ~~of~~ chapter 287.

207 ~~(10)(8)(a)~~ In order to effectively and efficiently
208 administer the real estate investment program of the State Board
209 of Administration, the Legislature finds a public necessity in
210 protecting specified records of the board. ~~Accordingly,~~

211 (a) Records and information relating to acquiring,
212 hypothecating, or disposing of real property or related personal
213 property or mortgage interests in same, as well as interest in
214 collective real estate investment funds, publicly traded
215 securities, or private placement investments, are confidential
216 and exempt from s. 119.07(1) in order to protect proprietary
217 information requisite to the board's ability to transact arms
218 length negotiations necessary to successfully compete in the
219 real estate investment market. All reports and documents
220 relating to value, offers, counteroffers, or negotiations are
221 confidential and exempt from s. 119.07(1) until closing is
222 complete and all funds have been disbursed. Reports and
223 documents relating to tenants, leases, contracts, rent rolls,
224 and negotiations in progress are confidential and exempt from
225 ~~the provisions of~~ s. 119.07(1) until the executive director
226 determines that releasing such information would not be
227 detrimental to the interests of the board and would not cause a
228 conflict with the fiduciary responsibilities of the State Board
229 of Administration.

230 ~~(b) In order to effectively and efficiently administer the~~
231 ~~investment programs of the board, the Legislature finds a public~~
232 ~~necessity in protecting records other than those described in~~

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

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

248 a. "Alternative investment" means an investment by the
249 State Board of Administration in a private equity fund, venture
250 fund, hedge fund, or distress fund or a direct investment in a
251 portfolio company through an investment manager.

252 b. "Alternative investment vehicle" means the limited
253 partnership, limited liability company, or similar legal
254 structure or investment manager through which the State Board of
255 Administration invests in a portfolio company.

256 c. "Portfolio company" means a corporation or other issuer,
257 any of whose securities are owned by an alternative investment
258 vehicle or the State Board of Administration and any subsidiary
259 of such corporation or other issuer.

260 d. "Portfolio positions" means individual investments in
261 portfolio companies which are made by the alternative investment

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262 vehicles, including information or specific investment terms
263 associated with any portfolio company investment.

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

270 f. "Proprietary confidential business information" means
271 information that has been designated by the proprietor when
272 provided to the State Board of Administration as information
273 that is owned or controlled by a proprietor; that is intended to
274 be and is treated by the proprietor as private, the disclosure
275 of which would harm the business operations of the proprietor
276 and has not been intentionally disclosed by the proprietor
277 unless pursuant to a private agreement that provides that the
278 information will not be released to the public except as
279 required by law or legal process, or pursuant to law or an order
280 of a court or administrative body; and that concerns:

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

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

287 (III) Financial statements and auditor reports of an
288 alternative investment vehicle.

289 (IV) Meeting materials of an alternative investment vehicle
290 relating to financial, operating, or marketing information of

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291 the alternative investment vehicle.

292 (V) Information regarding the portfolio positions in which
293 the alternative investment vehicles invest.

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

296 (VII) Alternative investment agreements and related
297 records.

298 (VIII) Information concerning investors, other than the
299 State Board of Administration, in an alternative investment
300 vehicle.

301 g. "Proprietary confidential business information" does not
302 include:

303 (I) The name, address, and vintage year of an alternative
304 investment vehicle and the identity of the principals involved
305 in the management of the alternative investment vehicle.

306 (II) The dollar amount of the commitment made by the State
307 Board of Administration to each alternative investment vehicle
308 since inception.

309 (III) The dollar amount and date of cash contributions made
310 by the State Board of Administration to each alternative
311 investment vehicle since inception.

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

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

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320 (VI) The net internal rate of return of each alternative
321 investment vehicle since inception.

322 (VII) The investment multiple of each alternative
323 investment vehicle since inception.

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

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

330 2. Proprietary confidential business information held by
331 the State Board of Administration regarding alternative
332 investments is confidential and exempt from s. 119.07(1) and s.
333 24(a), Art. I of the State Constitution for 10 years after the
334 termination of the alternative investment. This exemption
335 applies to proprietary confidential business information held by
336 the State Board of Administration before, on, or after October
337 1, 2006.

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

346 a. That the requested record contains proprietary
347 confidential business information and the specific location of
348 such information within the record;

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349 b. If the proprietary confidential business information is
350 a trade secret, a verification that it is a trade secret as
351 defined in s. 688.002;

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

357 d. That the disclosure of the proprietary confidential
358 business information to the public would harm the business
359 operations of the proprietor.

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

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378 which are invested by the State Board of Administration.

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

383 ~~(11)(9)~~ In connection with any investment pursuant to s.
384 215.47, the State Board of Administration may enter into an
385 indemnification agreement provided that, under any such
386 agreement, the liability of the State Board of Administration is
387 limited to the amount of its investment and the State Board of
388 Administration is not obligated to indemnify against loss caused
389 by the negligence or fault of the person seeking
390 indemnification.

391 Section 2. Section 215.441, Florida Statutes, is amended to
392 read:

393 215.441 ~~Board of Administration~~; Appointment of executive
394 director.—

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

405 (2) The appointment of the executive director of the State
406 Board of Administration must be approved ~~shall be subject to the~~

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407 ~~approval~~ by a majority vote of the board of trustees ~~of the~~
408 ~~State Board of Administration~~, and the Governor must vote on the
409 prevailing side. Such appointment must be reaffirmed in the same
410 manner by the board of trustees on an annual basis.

411 (3) The executive director is a state officer for purposes
412 of s. 112.3145.

413 Section 3. Subsection (1) of section 215.442, Florida
414 Statutes, is amended to read:

415 215.442 Executive director; reporting requirements; public
416 meeting.—

417 ~~(1) Beginning October 2007 and quarterly thereafter, The~~
418 executive director shall present a quarterly report to the board
419 of trustees which includes ~~of the State Board of Administration~~
420 ~~a quarterly report to include the following:~~

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

423 (b) The industry category of each equity.

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

426 Section 4. Section 215.444, Florida Statutes, is amended to
427 read:

428 215.444 Investment Advisory Council.—

429 ~~(1) A nine-member~~ There is created a six-member Investment
430 Advisory Council is created to review the investments made by
431 the staff of the State Board of Administration and to make
432 recommendations to the board of trustees regarding investment
433 policy, strategy, and procedures. The council shall annually
434 recommend asset allocations for funds held by the state board
435 and shall approve all new product types considered for

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436 investment by the state board.

437 (2) The members of the council shall be appointed by the
438 board of trustees and are ~~shall be~~ subject to confirmation by
439 the Senate.

440 (a) The council must include one member representing local
441 governments, one member representing state government employees
442 who are participants in the Florida Retirement System, and one
443 member representing public education employees.

444 (b) Council members must ~~These individuals shall~~ possess
445 special knowledge, experience, and familiarity with financial
446 investments and portfolio management.

447 (c) Members shall be appointed for 4-year terms. A vacancy
448 shall be filled for the remainder of the unexpired term.

449 (d) The council shall annually elect a chair and a vice
450 chair from its membership. A member may not be elected to
451 consecutive terms as chair or vice chair.

452 (e) Members of the council are state officers for purposes
453 of s. 112.3145.

454 Section 5. Subsection (15) of section 215.47, Florida
455 Statutes, is amended to read:

456 215.47 Investments; authorized securities; loan of
457 securities.—Subject to the limitations and conditions of the
458 State Constitution or of the trust agreement relating to a trust
459 fund, moneys available for investments under ss. 215.44-215.53
460 may be invested as follows:

461 (15) With no more, in the aggregate, than 10 percent of any
462 fund in alternative investments, as defined in s.
463 215.44(10)(c)1.a. ~~215.44(8)(c)1.a.~~, through participation in the
464 alternative investment vehicles as defined in s.

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465 215.44(10)(c)1.b. ~~215.44(8)(e)1.b.~~, or in securities or
466 investments that are not publicly traded and are not otherwise
467 authorized by this section.

468 Section 6. Section 215.475, Florida Statutes, is amended to
469 read:

470 215.475 Investment policy statement.—

471 ~~(1)~~ In making investments for the System Trust Fund
472 pursuant to ss. 215.44-215.53, the state board may not make an
473 ~~shall make no investment that which~~ is not in conformance with
474 the Florida Retirement System Defined Benefit Plan Investment
475 Policy Statement, hereinafter referred to as "the IPS," as
476 developed by the executive director and the Investment Advisory
477 Council and approved by the board of trustees. The IPS must
478 include, among other items, the investment objectives of the
479 System Trust Fund; permitted types of securities in which the
480 state board may invest; and evaluation criteria necessary to
481 measure the investment performance of the fund. As required from
482 time to time, the executive director ~~of the board~~ may present
483 recommended changes in the IPS to the board of trustees for
484 approval.

485 ~~(2) Prior to any recommended changes in the IPS being~~
486 ~~presented to the board, the executive director of the board~~
487 ~~shall present such changes to the Investment Advisory Council~~
488 ~~for review. The council shall present the results of its review~~
489 ~~to the board prior to the board's final approval of the IPS or~~
490 ~~changes in the IPS.~~

491 Section 7. Section 215.476, Florida Statutes, is created to
492 read:

493 215.476 Ethics requirements for investment advisers and

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494 managers.-

495 (1) The state board by rule shall adopt standards of
496 conduct applicable to investment advisers and managers retained
497 pursuant to s. 215.44(3) (a) .

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

502 Section 8. Section 215.477, Florida Statutes, is created to
503 read:

504 215.477 Disclosure requirements for investment advisers and
505 managers.-

506 (1) An investment adviser or manager retained under s.
507 215.44(3) (a) shall disclose in writing to the state board:

508 (a) Any relationship that the investment adviser or manager
509 has with any party to a transaction with the state board, other
510 than a relationship necessary to the investment or funds
511 management services that the investment adviser or manager
512 performs for the board, if a prudent person could expect the
513 relationship to diminish the investment adviser's or manager's
514 independence of judgment in the performance of his or her
515 responsibilities to the board; and

516 (b) All direct or indirect pecuniary interests that the
517 investment adviser or manager has in any party to a transaction
518 with the state board if the transaction is connected with any
519 financial advice or service the investment adviser or manager
520 provides to the board in connection with the management or
521 investment of funds pursuant to s. 215.44(1) .

522 (2) The investment adviser or manager must disclose a

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523 relationship described by paragraph (1)(a) without regard to
524 whether the relationship is a direct, indirect, personal,
525 private, commercial, or business relationship.

526 (3) An investment adviser or manager retained pursuant to
527 s. 215.44(3)(a) shall file annually a statement with the state
528 board which discloses each relationship and pecuniary interest
529 described by this section, or if no relationship or pecuniary
530 interest described by this section existed during the disclosure
531 period, the statement must affirmatively state that fact.

532 (a) The annual statement must be filed by January 1 on a
533 form prescribed by the state board. The statement must cover the
534 reporting period of the previous calendar year.

535 (b) The investment adviser or manager shall promptly file a
536 new or amended statement with the state board whenever there is
537 new information to report under this section.

538 Section 9. Paragraph (a) of subsection (2) of section
539 121.153, Florida Statutes, is amended to read:

540 121.153 Investments in institutions doing business in or
541 with Northern Ireland.—

542 (2) (a) Notwithstanding any other provision of law, and
543 consistent with the investment policy set forth in ss. 215.44(3)
544 ~~215.44(2)~~ and 215.47(10), the moneys or assets of the System
545 Trust Fund invested or deposited in any financial institution,
546 as defined in s. 655.005, which, directly or through a
547 subsidiary, on or after October 1, 1988, makes any loan, extends
548 credit of any kind or character, or advances funds in any manner
549 to Northern Ireland or national corporations of Northern Ireland
550 or agencies or instrumentalities thereof must ~~shall~~ reflect the
551 extent to which such entities have endeavored to eliminate

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552 ethnic or religious discrimination as determined pursuant to
553 paragraph (1)(b).

554 Section 10. This act shall take effect July 1, 2010.