

(P. 72) Substituted for HF 2031
1-19-94

FILED JAN 19 1994

SENATE FILE 2013
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 2002)

Passed Senate, Date ^(P.63) 1-13-94 Passed House, Date 1-19-94
Vote: Ayes 49 Nays 8 Vote: Ayes 91 Nays 0
Approved Feb. 1, 1994

A BILL FOR

1 An Act repealing restrictions on South Africa-related deposits
2 and investments, and providing an immediate effective date.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

SF 2013

1 Section 1. Section 12.8, unnumbered paragraph 1, Code
2 1993, is amended to read as follows:

3 The treasurer of state shall invest or deposit, ~~subject to~~
4 ~~chapter-12A~~ and as provided by law, any of the public funds
5 not currently needed for operating expenses and shall do so
6 upon receipt of monthly notice from the director of revenue
7 and finance of the amount not so needed. In the event of loss
8 on redemption or sale of securities invested as prescribed by
9 law, and if the transaction is reported to the executive
10 council, neither the treasurer nor director of revenue and
11 finance is personally liable but the loss shall be charged
12 against the funds which would have received the profits or
13 interest of the investment and there is appropriated from the
14 funds the amount so required.

15 Sec. 2. Section 97B.5, Code 1993, is amended to read as
16 follows:

17 97B.5 STAFF.

18 Subject to other provisions of this chapter, the department
19 may employ personnel as necessary for the administration of
20 the system, including but not limited to a chief investment
21 officer and a chief benefits officer. The maximum number of
22 full-time equivalent employees specified by the general
23 assembly for the department for administration of the system
24 for a fiscal year shall not be reduced by any authority other
25 than the general assembly. The staff shall be appointed
26 pursuant to chapter 19A. The department shall not appoint or
27 employ a person who is an officer or committee member of a
28 political party organization or who holds or is a candidate
29 for an elective public office. The department may employ
30 attorneys and contract with attorneys and legal firms for the
31 provision of legal counsel and advice in the administration of
32 this chapter, and chapter 97C, ~~and~~ ~~chapter-12A~~. The
33 department may execute contracts with investment advisors,
34 consultants, and managers outside state government in the
35 administration of this chapter ~~and~~ ~~chapter-12A~~. The

1 department may delegate to any person such authority as it
2 deems reasonable and proper for the effective administration
3 of this chapter, and may bond any person handling moneys or
4 signing checks under this chapter.

5 Sec. 3. Section 97B.7, subsection 2, paragraph b,
6 unnumbered paragraph 1, Code 1993, is amended to read as
7 follows:

8 To invest ~~subject to chapter 12A~~, the portion of the
9 retirement fund which in the judgment of the department is not
10 needed for current payment of benefits under this chapter.
11 The department shall execute the disposition and investment of
12 moneys in the retirement fund in accordance with the
13 investment policy and goal statement established by the
14 investment board. In the investment of the fund, the
15 department and investment board shall exercise the judgment
16 and care, under the circumstances then prevailing, which
17 persons of prudence, discretion, and intelligence exercise in
18 the management of their own affairs, not for the purpose of
19 speculation, but with regard to the permanent disposition of
20 the funds, considering the probable income, as well as the
21 probable safety, of their capital. Within the limitations of
22 the standard prescribed in this section, the treasurer of
23 state, the department, and the board may acquire and retain
24 every kind of property and every kind of investment which
25 persons of prudence, discretion, and intelligence acquire or
26 retain for their own account.

27 Sec. 4. Section 262.14, unnumbered paragraph 1, Code 1993,
28 is amended to read as follows:

29 The board may invest funds belonging to the institutions,
30 subject to ~~chapter 12A~~ and the following regulations:

31 Sec. 5. Chapter 12A, Code 1993, is repealed.

32 Sec. 6. EFFECTIVE DATE. This Act, being deemed of
33 immediate importance, takes effect upon enactment.

34

EXPLANATION

35 This bill repeals chapter 12A, pertaining to restrictions

1 on South Africa-related investments and deposits by certain
2 public institutions, and strikes references to the chapter in
3 other sections of the Code.

4 This bill takes effect upon enactment.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Kibbie. Chair
Gronstal
Dickman
Rittner
Drake

SSB-2002
State Government

SENATE FILE 2013
BY (PROPOSED COMMITTEE ON STATE
GOVERNMENT BILL BY CHAIR-
PERSON GRONSTAL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act repealing restrictions on South Africa-related deposits
2 and investments, and providing an immediate effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

1 Section 1. Section 12.8, unnumbered paragraph 1, Code
2 1993, is amended to read as follows:

3 The treasurer of state shall invest or deposit, ~~subject-to~~
4 ~~chapter-12A-and~~ as provided by law, any of the public funds
5 not currently needed for operating expenses and shall do so
6 upon receipt of monthly notice from the director of revenue
7 and finance of the amount not so needed. In the event of loss
8 on redemption or sale of securities invested as prescribed by
9 law, and if the transaction is reported to the executive
10 council, neither the treasurer nor director of revenue and
11 finance is personally liable but the loss shall be charged
12 against the funds which would have received the profits or
13 interest of the investment and there is appropriated from the
14 funds the amount so required.

15 Sec. 2. Section 97B.5, Code 1993, is amended to read as
16 follows:

17 97B.5 STAFF.

18 Subject to other provisions of this chapter, the department
19 may employ personnel as necessary for the administration of
20 the system, including but not limited to a chief investment
21 officer and a chief benefits officer. The maximum number of
22 full-time equivalent employees specified by the general
23 assembly for the department for administration of the system
24 for a fiscal year shall not be reduced by any authority other
25 than the general assembly. The staff shall be appointed
26 pursuant to chapter 19A. The department shall not appoint or
27 employ a person who is an officer or committee member of a
28 political party organization or who holds or is a candidate
29 for an elective public office. The department may employ
30 attorneys and contract with attorneys and legal firms for the
31 provision of legal counsel and advice in the administration of
32 this chapter, and chapter 97C, ~~and chapter-12A~~. The
33 department may execute contracts with investment advisors,
34 consultants, and managers outside state government in the
35 administration of this chapter ~~and chapter-12A~~. The

1 department may delegate to any person such authority as it
2 deems reasonable and proper for the effective administration
3 of this chapter, and may bond any person handling moneys or
4 signing checks under this chapter.

5 Sec. 3. Section 97B.7, subsection 2, paragraph b,
6 unnumbered paragraph 1, Code 1993, is amended to read as
7 follows:

8 To invest~~7-subject-to-chapter-12A~~, the portion of the
9 retirement fund which in the judgment of the department is not
10 needed for current payment of benefits under this chapter.
11 The department shall execute the disposition and investment of
12 moneys in the retirement fund in accordance with the
13 investment policy and goal statement established by the
14 investment board. In the investment of the fund, the
15 department and investment board shall exercise the judgment
16 and care, under the circumstances then prevailing, which
17 persons of prudence, discretion, and intelligence exercise in
18 the management of their own affairs, not for the purpose of
19 speculation, but with regard to the permanent disposition of
20 the funds, considering the probable income, as well as the
21 probable safety, of their capital. Within the limitations of
22 the standard prescribed in this section, the treasurer of
23 state, the department, and the board may acquire and retain
24 every kind of property and every kind of investment which
25 persons of prudence, discretion, and intelligence acquire or
26 retain for their own account.

27 Sec. 4. Section 262.14, unnumbered paragraph 1, Code 1993,
28 is amended to read as follows:

29 The board may invest funds belonging to the institutions,
30 subject to ~~chapter-12A~~ and the following regulations:

31 Sec. 5. Chapter 12A, Code 1993, is repealed.

32 Sec. 6. EFFECTIVE DATE. This Act, being deemed of
33 immediate importance, takes effect upon enactment.

34 EXPLANATION

35 This bill repeals chapter 12A, pertaining to restrictions

1 on South Africa-related investments and deposits by certain
2 public institutions, and strikes references to the chapter in
3 other sections of the Code.

4 This bill takes effect upon enactment.

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35

SENATE FILE 2013

AN ACT

REPEALING RESTRICTIONS ON SOUTH AFRICA-RELATED DEPOSITS AND INVESTMENTS, AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

Section 1. Section 12.8, unnumbered paragraph 1, Code 1993, is amended to read as follows:

The treasurer of state shall invest or deposit, ~~subject to chapter-12A-and~~ as provided by law, any of the public funds not currently needed for operating expenses and shall do so upon receipt of monthly notice from the director of revenue and finance of the amount not so needed. In the event of loss on redemption or sale of securities invested as prescribed by law, and if the transaction is reported to the executive council, neither the treasurer nor director of revenue and finance is personally liable but the loss shall be charged against the funds which would have received the profits or interest of the investment and there is appropriated from the funds the amount so required.

Sec. 2. Section 97B.5, Code 1993, is amended to read as follows:

97B.5 STAFF.

Subject to other provisions of this chapter, the department may employ personnel as necessary for the administration of the system, including but not limited to a chief investment officer and a chief benefits officer. The maximum number of full-time equivalent employees specified by the general assembly for the department for administration of the system for a fiscal year shall not be reduced by any authority other than the general assembly. The staff shall be appointed pursuant to chapter 19A. The department shall not appoint or employ a person who is an officer or committee member of a

political party organization or who holds or is a candidate for an elective public office. The department may employ attorneys and contract with attorneys and legal firms for the provision of legal counsel and advice in the administration of this chapter, ~~and chapter 97C-and-chapter-12A~~. The department may execute contracts with investment advisors, consultants, and managers outside state government in the administration of this chapter ~~and-chapter-12A~~. The department may delegate to any person such authority as it deems reasonable and proper for the effective administration of this chapter, and may bond any person handling moneys or signing checks under this chapter.

Sec. 3. Section 97B.7, subsection 2, paragraph b, unnumbered paragraph 1, Code 1993, is amended to read as follows:

To invest, ~~subject to chapter-12A,~~ the portion of the retirement fund which in the judgment of the department is not needed for current payment of benefits under this chapter. The department shall execute the disposition and investment of moneys in the retirement fund in accordance with the investment policy and goal statement established by the investment board. In the investment of the fund, the department and investment board shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for the purpose of speculation, but with regard to the permanent disposition of the funds, considering the probable income, as well as the probable safety, of their capital. Within the limitations of the standard prescribed in this section, the treasurer of state, the department, and the board may acquire and retain every kind of property and every kind of investment which persons of prudence, discretion, and intelligence acquire or retain for their own account.

Sec. 4. Section 262.14, unnumbered paragraph 1, Code 1993, is amended to read as follows:

The board may invest funds belonging to the institutions, subject to ~~chapter 12A~~ and the following regulations:

Sec. 5. Chapter 12A, Code 1993, is repealed.

Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

LEONARD L. BOSWELL
President of the Senate

HAROLD VAN MAANEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2013, Seventy-fifth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved Feb. 15th, 1994

TERRY E. BRANSTAD
Governor