

RÉSUMÉ DIGEST

ACT 45 (HB 34)

2018 Regular Session

Pearson

Prior law required each state or statewide retirement system with an investment strategy that included allocation to international markets to establish, by Aug. 15, 2007, an international fund that identified and excluded from the fund companies having facilities or employees in a prohibited nation and to allocate a portion of its international investments to such a fund. New law removes the deadline for such actions thereby creating ongoing obligations to identify and exclude such companies from the fund and to allocate investments to the fund.

Prior law required that such fund be an index fund. New law removes this requirement and additionally authorizes use of a separately managed account rather than a separate fund for such purpose.

Existing law requires an investment manager, as part of managing such fund, to replace any equity with facilities or employees in a prohibited nation (screened equities) with comparable equities or adjust the weighting of remaining equities held in a system's portfolio. New law provides the additional option of selling the screened equities.

Effective upon signature of governor (May 10, 2018).

(Amends R.S. 11:316)