

**ARKANSAS SENATE**  
89th General Assembly - Regular Session, 2013  
**Amendment Form**

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**Subtitle of Senate Bill No. 111**

TO ENSURE THAT THE STATE RETIREMENT SYSTEMS COMPLY WITH THE PRUDENT INVESTOR  
RULE IN THE RENEWAL AND REVIEW PROCESS FOR THE INVESTMENT AND MANAGEMENT OF  
ASSETS OF THE SYSTEM AND TO DECLARE AN EMERGENCY.

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**Amendment No. 1 to Senate Bill No. 111**

Amend Senate Bill No. 111 as originally introduced:

Page 2, delete line 24 and substitute:

"seq.

(5) If a contract with a consultant to provide a state retirement system consulting services, to recommend investment managers and investment funds, or for the investment of trust funds of the state retirement system under this subsection is extended, an amendment, acknowledged by the consultant in writing, shall be added to the contract extension that:

(A) States that the State of Arkansas and the state retirement system have a statutory goal to recruit and hire emerging managers and emerging investment funds consistent with the prudent investor rule;

(B)(i) Requires the consultant to submit a report to the state public retirement system that describes the plan or process the consultant will use to recruit and hire emerging managers and emerging investment funds.

(ii) The consultant shall provide an emerging manager update on the progress made in the previous fiscal year to the state retirement system no later than sixty (60) days after the end of the fiscal year that details the consultant's processes in locating, analyzing, evaluating, and performing due diligence activity on emerging managers; and

(C)(i) Allows a state retirement system to refer or recommend a specific emerging manager or emerging investment fund to the consultant.

(ii) A state retirement system that makes a referral may request a report concerning the outcome of a referral from the consultant.

(6) At the request of the Joint Committee on Public Retirement and Social Security Programs or the Arkansas Legislative Council, a state retirement system shall appear and make a presentation concerning the recruitment and hiring of emerging managers and emerging investment funds."



The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Elliott

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Secretary