

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	8 - 0 - 2
Yeas:	Bentz, Cameron, Davis, Doherty, Lively, Nathanson, Parrish, Read
Nays:	0
Exc.:	Gorsek, McKeown
Prepared By:	Troy Rayburn, Administrator
Meeting Dates:	5/22

WHAT THE MEASURE DOES: Deletes limitation on reappointment of members of Oregon Investment Council.

ISSUES DISCUSSED:

- Relationship to Senate Bill 302 (2005 Legislative Session)
- Ability to keep experienced members on Council by staggering terms
- Many are forced to leave the Council under current law
- Allow Council members to serve longer terms under this measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Investment council (OIC) consists of five voting members; four are appointed by the governor and the state treasurer serves as the fifth. The Director of the Public Employees Retirement System (PERS) is a nonvoting (ex officio) member. The appointed members are confirmed by the Oregon Senate and can serve multiple four year terms up to 12 years. Senate Bill 16 removes the limitation on the number of terms on the Council that members may serve.

OIC functions, as described on the Treasury web site, include:

- Coordination with the Oregon Public Employees' Retirement System, State Accident Insurance Fund, Department of State Lands, Board of Higher Education, and other agencies, on matters of joint concern.
- Definition of investments consistent with statutory authority contained in ORS 293.
- Approval of due diligence processes.
- Receipt and review of periodic reports from staff, consultants, investment managers and other experts.
- Action on matters resulting from (d).
- Action on legislative and or regulatory matters that impact the investment portfolio or decision-making process.
- Oversight and management of legal matters that impact the investment portfolio or decision-making process, which are not otherwise reserved by the Department of Justice.
- Making recommendations to the Treasurer on staffing plans, incentive compensation, and the budget for all investment activities under the purview of the OIC.
- Approving all major personal service and consulting contracts related to investment activities under the purview of the OIC.
- Adopting best and responsible practices and innovations for the OIC, from the investment management community, when making and implementing policy.

5/28/2013 12:40:00 PM

This summary has not been adopted or officially endorsed by action of the committee.