

1.1 ..... moves to amend H.F. No. 1555; S.F. No. 927, as follows:

1.2 Page 1, after line 5, insert:

1.3 "Section 1. Minnesota Statutes 2010, section 11A.07, subdivision 4, is amended to read:

1.4 Subd. 4. **Duties and powers.** The director, at the direction of the state board, shall:

1.5 (1) plan, direct, coordinate, and execute administrative and investment functions  
1.6 in conformity with the policies and directives of the state board and the requirements of  
1.7 this chapter and of chapter 356A;

1.8 (2) prepare and submit biennial and annual budgets to the board and with the  
1.9 approval of the board submit the budgets to the Department of Management and Budget;

1.10 (3) employ professional and clerical staff as necessary. Employees whose primary  
1.11 responsibility is to invest or manage money or employees who hold positions designated  
1.12 as unclassified under section 43A.08, subdivision 1a, are in the unclassified service of the  
1.13 state. Other employees are in the classified service. Unclassified employees who are  
1.14 not covered by a collective bargaining agreement are employed under the terms and  
1.15 conditions of the compensation plan approved under section 43A.18, subdivision 3b;

1.16 (4) report to the state board on all operations under the director's control and  
1.17 supervision;

1.18 (5) maintain accurate and complete records of securities transactions and official  
1.19 activities;

1.20 (6) establish a policy relating to the purchase and sale of securities on the basis of  
1.21 competitive offerings or bids. The policy is subject to board approval;

1.22 (7) cause securities acquired to be kept in the custody of the commissioner of  
1.23 management and budget or other depositories consistent with chapter 356A, as the state  
1.24 board deems appropriate;

1.25 (8) prepare and file with the director of the Legislative Reference Library, by  
1.26 December 31 of each year, a report summarizing the activities of the state board, the  
1.27 council, and the director during the preceding fiscal year. The report must be prepared

2.1 so as to provide the legislature and the people of the state with a clear, comprehensive  
 2.2 summary of the portfolio composition, the transactions, the total annual rate of return,  
 2.3 and the yield to the state treasury and to each of the funds whose assets are invested by  
 2.4 the state board, and the recipients of business placed or commissions allocated among  
 2.5 the various commercial banks, investment bankers, money managers, and brokerage  
 2.6 organizations and the amount of these commissions or other fees. ~~The report must contain~~  
 2.7 ~~financial statements for funds managed by the board prepared in accordance with generally~~  
 2.8 ~~accepted accounting principles.~~ The report must include an executive summary;

2.9 (9) include on the state board's Web site its annual report and an executive summary  
 2.10 of its quarterly reports;

2.11 (10) require state officials from any department or agency to produce and provide  
 2.12 access to any financial documents the state board deems necessary in the conduct of  
 2.13 its investment activities;

2.14 (11) receive and expend legislative appropriations; and

2.15 (12) undertake any other activities necessary to implement the duties and powers  
 2.16 set forth in this subdivision consistent with chapter 356A.

2.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.18 Sec. 2. Minnesota Statutes 2010, section 11A.14, subdivision 14, is amended to read:

2.19 Subd. 14. **Reports required.** As of each valuation date, or as often as the state  
 2.20 board determines, each participant shall be informed of the number of units owned and the  
 2.21 current value of the units. ~~Annually, the state board shall provide each participant financial~~  
 2.22 ~~statements prepared in accordance with generally accepted accounting principles.~~

2.23 **EFFECTIVE DATE.** This section is effective the day following final enactment."

2.24 Renumber the sections in sequence and correct the internal references

2.25 Amend the title accordingly