

House Research Act Summary

CHAPTER: 392

SESSION: 2000 Regular Session

TOPIC: State Board of Investment

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Overview

Makes various changes in laws relating to the State Board of Investment.

- 1 **Corporate stocks.** Permits the state board of investment to invest in specified stocks listed on any exchange regulated by a governmental agency, rather than listing specific exchanges. Permits the board to own up to 20 percent of the shares of a closed-end mutual fund.
- 2 **Other investments.** Permits the state board of investment to invest in venture capital businesses through participation in trusts, private placements, and limited liability corporations and partnerships. The current law says the board can invest in venture capital through limited partnerships and corporations.
Permits the board to invest in closed-end mutual funds listed on an exchange regulated by a governmental entity.
Permits the board to invest in resource investments through trusts, limited liability corporations, and limited liability partnerships. Current law allows the board to make these investments through limited partnerships, private placements, and corporations.
- 3 **Medical education endowment fund.** Modifies requirement that the principal of the medical education endowment fund must be maintained inviolate, to allow the principal of the fund to be used to make the authorized expenditures when the market value of the fund falls below 105 percent of the money credited to the tobacco settlement fund.
- 4 **Medical education endowment fund.** Strikes language that limits appropriations from the fund to the amount of actual fund earnings.
- 5 **MnSCU.** Permits the MnSCU board of trustees to acquire an interest in a product or a private business entity for the purpose of developing and providing educational materials and related program or services to further the MnSCU mission. Permits MnSCU to enter into joint venture agreements with private corporations to develop educational materials and related programs or

services. Appropriates proceeds to the board. Provides that the state is not liable for obligations or liabilities that arise from these investments.

- 6 **Tobacco use prevention and local public health fund.** Modifies requirement that principle of the fund be maintained inviolate, to allow the original principal of the fund to be used to make the authorized expenditures when the market value of the fund falls below 105 percent of funds credited to the tobacco settlement fund.
- 7 **Tobacco use prevention and local public health fund.** Strikes requirement that limits expenditures to earnings of the fund.
- 8 **Effective date.** Effective the day following final enactment.