

# ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 750

AMENDMENT NO. A1  
(to be filled in by  
Principal Clerk)

H750-ABPp-19 [v.1]

Page 1 of 2

Amends Title [NO]  
First Edition

Date May 3, 2023

Representative Balkcom

- 1 moves to amend the bill on page 1, line 20, to page 4, line 1, by rewriting the lines to read:  
 2 "SECTION 2. G.S. 147-69.7 reads as rewritten:  
 3 ""§ 147-69.7. Discharge of duties to funds.  
 4 ...  
 5 (b) In investing and managing assets of the fund pursuant to subsection (a) of this section,  
 6 the State Treasurer:  
 7 (1) Shall consider the following circumstances:  
 8 a. General economic conditions.  
 9 b. The possible effect of inflation or deflation.  
 10 c. The role that each investment or course of action plays within the  
 11 overall portfolio of the fund.  
 12 d. The expected total return from income and the appreciation of capital.  
 13 e. Needs for liquidity, regularity of income, and preservation or  
 14 appreciation of capital.  
 15 f. With respect to the Retirement Systems defined in G.S. 147-69.2(b)(8)  
 16 and any other pension plans, the adequacy of funding for the  
 17 Retirement Systems based on reasonable actuarial factors.  
 18 g. The purpose of the fund, if established.  
 19 (2) Shall diversify the investments of the fund unless the State Treasurer  
 20 reasonably determines that, because of special circumstances, including  
 21 applicable investment restrictions, it is clearly prudent not to do so.  
 22 (3) Shall make a reasonable effort to verify facts relevant to the investment and  
 23 management of assets of the funds.  
 24 (4) Shall invest only in those investments authorized by law consistent with the  
 25 provisions of Article 6 of Chapter 146 of the General Statutes.  
 26 (5) ~~May consider benefits created by an investment in addition to investment~~  
 27 ~~return only if the State Treasurer determines that the investment providing~~  
 28 ~~these collateral benefits would be prudent even without collateral benefits.~~  
 29 Shall, in the evaluation of an investment, or evaluation or exercise of any right  
 30 appurtenant to an investment, consider only pecuniary factors:  
 31 a. For the purposes of this section, a pecuniary factor is a factor that has  
 32 a material effect on the financial risk or financial return of an



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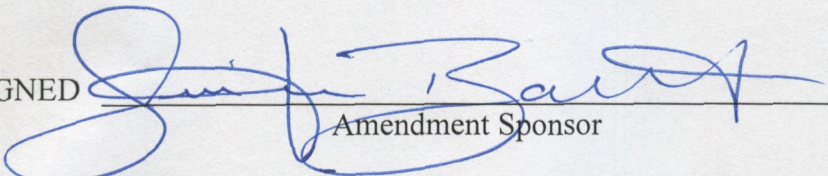
- 1 investment based on appropriate investment horizons consistent with
- 2 the purpose of the fund, if established.
- 3 b. Environmental or social considerations are pecuniary factors only if
- 4 they present economic risks or opportunities that qualified investment
- 5 professionals would treat as material economic considerations under
- 6 generally accepted investment theories. The weight given to those
- 7 factors shall solely reflect a prudent assessment of their impact on risk
- 8 and return.
- 9 (6) May, in the evaluation or exercise of any right appurtenant to an investment,
- 10 reasonably conclude that not exercising such a right is in the best interest of
- 11 the fund's beneficiaries.

12 ...";

13 and on page 4, lines 5 to 6, by rewriting the lines to read:

14 "SECTION 4. This act is effective when it becomes law."  
15

SIGNED



Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_

**The official copy of this document, with signatures  
and vote information, is available in the  
House Principal Clerk's Office**