

---

**SUBSTITUTE HOUSE BILL 1585**

---

**State of Washington**

**55th Legislature**

**1997 Regular Session**

**By** House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Huff, L. Thomas, Clements, H. Sommers, Wolfe and Carlson; by request of State Investment Board)

Read first time 02/26/97.

1 AN ACT Relating to the operation of the state investment board;  
2 amending RCW 43.33A.030; and adding a new section to chapter 43.33A  
3 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 43.33A.030 and 1981 c 3 s 3 are each amended to read  
6 as follows:

7 Trusteeship of those funds under the authority of the board is  
8 vested in the voting members of the board. The nonvoting members of  
9 the board shall advise the voting members on matters of investment  
10 policy and practices.

11 The board may enter into contracts necessary to carry out its  
12 powers and duties. The board may delegate any of its powers and duties  
13 to its executive director as deemed necessary for efficient  
14 administration and when consistent with the purposes of ((this 1980  
15 act)) chapter 3, Laws of 1981.

16 Subject to guidelines established by the board, the board's  
17 executive director may delegate to board staff any of the executive  
18 director's powers and duties including, but not limited to, the power

1 to make investment decisions and to execute investment and other  
2 contracts on behalf of the board.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.33A RCW  
4 to read as follows:

5 The board or its executive director may delegate by contract to  
6 private sector or other external advisors or managers the discretionary  
7 authority, as fiduciaries, to purchase or otherwise acquire, sell, or  
8 otherwise dispose of or manage investments or investment properties on  
9 behalf of the board, subject to investment or management criteria  
10 established by the board or its executive director. Such criteria  
11 relevant to particular investments or class of investment applicable  
12 under the board's contract with an advisor or manager must be  
13 incorporated by reference into the contract.

--- END ---