

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1344

93RD GENERAL ASSEMBLY

Reported from the Committee on Retirement February 16, 2006 with recommendation that House Committee Substitute for House Bill No. 1344 Do Pass by Consent. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

Reported from the Committee on Rules February 23, 2006 with recommendation that House Committee Substitute for House Bill No. 1344 Do Pass by Consent.

Perfected by Consent March 2, 2006.

STEPHEN S. DAVIS, Chief Clerk

4209L.02P

AN ACT

To repeal section 87.260, RSMo, and to enact in lieu thereof one new section relating to the firefighter's retirement and relief system, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 87.260, RSMo, is repealed and one new section enacted in lieu
2 thereof, to be known as section 87.260, to read as follows:

87.260. [Notwithstanding any other provisions of law to the contrary, the board of
2 trustees shall be the trustees of the several funds created by sections 87.120 to 87.370 and shall
3 have full power to invest and reinvest the funds in

- 4 (1) Bonds of the United States government, general obligation bonds of the state of
5 Missouri and of any political subdivision of Missouri, including school districts;
6 (2) Savings and loan associations;
7 (3) Corporate bonds;
8 (4) Common and preferred stocks of corporations;
9 (5) Investment trust shares;
10 (6) Real estate mortgages only in Missouri; and
11 (7) Commercial banks and trust companies.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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13 No trustee or member of the retirement system shall have any direct interest in the gains or
14 profits made by the retirement board on any investment, nor, as such, shall receive any
15 compensation for his service.] **The board of trustees of the firefighter's retirement system**
16 **shall have the exclusive authority and discretion to invest and reinvest the funds in**
17 **property of any kind, real or personal. The board of trustees shall invest and manage the**
18 **fund as a prudent investor would, by considering the purposes, terms, distribution**
19 **requirements, and other circumstances of the firefighter's retirement system. In satisfying**
20 **this standard, the board of trustees shall exercise reasonable care, skill, and caution. No**
21 **trustee shall have any interest as a trustee in the gains or profits made on any investment,**
22 **except benefits from interest in investments common to all members of the plan, if entitled**
23 **thereto.**

Section B. Because immediate action is necessary to expand investment opportunities
2 to the firefighter's retirement system, section A of this act is deemed necessary for the immediate
3 preservation of the public health, welfare, peace, and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section A of this act shall be in full
5 force and effect upon its passage and approval.

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