

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB 568
Version:	ENGR
Request Number:	
Author:	Rep. Kannady
Date:	4/8/2025
Impact:	\$0

Research Analysis

Engrossed SB568 requires all government entities and their designated proxy advisory firms to vote and exercise their fiduciary duties solely based on the pecuniary interest of plan participants and their beneficiaries. Unless no economically practicable alternative is available, an investment manager, fiduciary or government entity may not grant proxy voting authority to any person who is not part of the government entity unless the person or firm has a practice of and signs a written commitment to act solely based on pecuniary factors.

The measure also establishes reporting requirement for proxy voting, which must be reported and tabulated annually to the State Treasurer and posted on a public website.

Affected government entities include any state agency, board, bureau, commission or other entity organized within the executive branch including any office of the state or appointee acting as a fiduciary of the funds of the state.

Prepared By: Quyen Do

Fiscal Analysis

SB 568 provides certain requirements, limitations, and guidance on the standard of fiduciary duty relating to shares of stock or ownership interests held by or on behalf of a governmental entity and the participants and their beneficiaries. The measure does not carry any fiscal or revenue considerations for the state. Therefore, the measure is not anticipated to have a direct fiscal impact on the state budget or appropriations.

Prepared By: Zach Lein, House Fiscal Staff

Other Considerations

None.