

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 508 by Representative Daniel

FUNDS/INVESTMENTS: (Constitutional Amendment) Authorizes institutions of higher education or their management boards to invest certain of their funds in stocks

Synopsis of Senate Amendments

1. Reduces the amount of funds that may be invested in stocks from 65% to 35%.

Digest of Bill as Finally Passed by Senate

Abstract: Authorizes institutions of higher education or their management boards to invest in stocks up to 35% of funds received from gifts and grants, funds functioning as endowments, or other permanent funds.

Present constitution generally prohibits the investment of state or local funds in stocks with certain specific exceptions.

Proposed constitutional amendment authorizes higher education institutions or their respective management boards to invest in stocks a portion of certain funds derived from gifts and grants, funds functioning as endowments, or other permanent funds, provided that the amount to be invested in stocks may not exceed 35% of the aggregate of all such funds.

Provides for submission of the proposed amendment to the voters at the statewide election on November 5, 2002.

(Amends Const. Art. VII, §14(B))