
DIGEST

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HB 981 Engrossed

2024 Regular Session

Melerine

Abstract: Provides relative to the voting of proxies by public retirement systems on shareholder sponsored proposals.

Proposed law prohibits public retirement systems from voting a proxy relating to a shareholder sponsored proposal submitted to an issuer of securities pursuant to specified federal law in a manner that is consistent with the recommendation of a proxy advisory firm unless one of the following applies:

- (1) The firm's recommendation is consistent with the recommendation of the board of directors of the issuer of the securities.
- (2) The firm has agreed that its recommendation, advice, and analysis regarding the shareholder sponsored proposal is in compliance with present law regarding prudent investments by retirement systems and is in the best financial interest of the system.

Proposed law provides that a proxy advisory firm is an entity that is engaged in the business of providing proxy voting advice, research, analysis, ratings, or recommendations to a retirement system and that has a direct contractual relationship with the system.

(Adds R.S. 11:263(H))