

**As Passed by the Senate**

**135th General Assembly**

**Regular Session**

**2023-2024**

**Sub. S. B. No. 6**

**Senator Schuring**

**Cosponsors: Senators Cirino, Hoagland, Romanchuk, Brenner, Dolan, Antani,  
Gavarone, Hackett, Huffman, S., Johnson, Lang, McColley, O'Brien, Reineke,  
Roegner, Rulli, Schaffer, Wilkin**

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**A BILL**

To amend sections 145.11, 742.11, 3307.15, 3309.15, 1  
3345.16, 4123.44, 4123.442, and 5505.06 and to 2  
enact section 3345.161 of the Revised Code 3  
regarding environmental, social, and corporate 4  
governance policies with respect to the state 5  
retirement systems, Bureau of Workers' 6  
Compensation, and state institutions of higher 7  
education. 8

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 145.11, 742.11, 3307.15, 3309.15, 9  
3345.16, 4123.44, 4123.442, and 5505.06 be amended and section 10  
3345.161 of the Revised Code be enacted to read as follows: 11

**Sec. 145.11.** (A) The members of the public employees 12  
retirement board shall be the trustees of the funds created by 13  
section 145.23 of the Revised Code. The board shall have full 14  
power to invest the funds. The board and other fiduciaries shall 15  
discharge their duties with respect to the funds solely in the 16  
interest of the participants and beneficiaries; for the 17

exclusive purpose of providing benefits to participants and 18  
their beneficiaries and defraying reasonable expenses of 19  
administering the public employees retirement system; with care, 20  
skill, prudence, and diligence under the circumstances then 21  
prevailing that a prudent person acting in a like capacity and 22  
familiar with these matters would use in the conduct of an 23  
enterprise of a like character and with like aims; and by 24  
diversifying the investments of the system so as to minimize the 25  
risk of large losses, unless under the circumstances it is 26  
clearly prudent not to do so. 27

The board, in accordance with its fiduciary duties 28  
described under this section, shall make investment decisions 29  
with the sole purpose of maximizing the return on its 30  
investments. The board shall not make an investment decision 31  
with the primary purpose of influencing any social or 32  
environmental policy or attempting to influence the governance 33  
of any corporation. 34

To facilitate investment of the funds, the board may 35  
establish a partnership, trust, limited liability company, 36  
corporation, including a corporation exempt from taxation under 37  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 38  
amended, or any other legal entity authorized to transact 39  
business in this state. 40

(B) In exercising its fiduciary responsibility with 41  
respect to the investment of the funds, it shall be the intent 42  
of the board to give consideration to investments that enhance 43  
the general welfare of the state and its citizens where the 44  
investments offer quality, return, and safety comparable to 45  
other investments currently available to the board. In 46  
fulfilling this intent, equal consideration shall also be given 47

to investments otherwise qualifying under this section that 48  
involve minority owned and controlled firms and firms owned and 49  
controlled by women, either alone or in joint venture with other 50  
firms. 51

The board shall adopt, in regular meeting, policies, 52  
objectives, or criteria for the operation of the investment 53  
program that include asset allocation targets and ranges, risk 54  
factors, asset class benchmarks, time horizons, total return 55  
objectives, and performance evaluation guidelines. In adopting 56  
policies and criteria for the selection of agents with whom the 57  
board may contract for the administration of the funds, the 58  
board shall comply with sections 145.114 and 145.116 of the 59  
Revised Code and shall also give equal consideration to minority 60  
owned and controlled firms, firms owned and controlled by women, 61  
and ventures involving minority owned and controlled firms and 62  
firms owned and controlled by women that otherwise meet the 63  
policies and criteria established by the board. Amendments and 64  
additions to the policies and criteria shall be adopted in 65  
regular meeting. The board shall publish its policies, 66  
objectives, and criteria under this provision no less often than 67  
annually and shall make copies available to interested parties. 68

The board shall not adopt a policy, or take any action to 69  
promote a policy, under which the board makes investment 70  
decisions with the primary purpose of influencing any social or 71  
environmental policy or attempting to influence the governance 72  
of any corporation. 73

When reporting on the performance of investments, the 74  
board shall comply with the performance presentation standards 75  
established by the association for investment management and 76  
research. 77

(C) All investments shall be purchased at current market 78  
prices and the evidences of title of the investments shall be 79  
placed in the hands of the treasurer of state, who is hereby 80  
designated as custodian thereof, or in the hands of the 81  
treasurer of state's authorized agent. Evidences of title of the 82  
investments so purchased may be deposited by the treasurer of 83  
state for safekeeping with an authorized agent, selected by the 84  
treasurer of state, who is a qualified trustee under section 85  
135.18 of the Revised Code. The treasurer of state or the agent 86  
shall collect the principal, dividends, distributions, and 87  
interest thereon as they become due and payable and place them 88  
when so collected into the custodial funds. 89

The treasurer of state shall pay for investments purchased 90  
by the retirement board on receipt of written or electronic 91  
instructions from the board or the board's designated agent 92  
authorizing the purchase and pending receipt of the evidence of 93  
title of the investment by the treasurer of state or the 94  
treasurer of state's authorized agent. The board may sell 95  
investments held by the board, and the treasurer of state or the 96  
treasurer of state's authorized agent shall accept payment from 97  
the purchaser and deliver evidence of title of the investment to 98  
the purchaser on receipt of written or electronic instructions 99  
from the board or the board's designated agent authorizing the 100  
sale, and pending receipt of the moneys for the investments. The 101  
amount received shall be placed in the custodial funds. The 102  
board and the treasurer of state may enter into agreements to 103  
establish procedures for the purchase and sale of investments 104  
under this division and the custody of the investments. 105

(D) No purchase or sale of any investment shall be made 106  
under this section except as authorized by the public employees 107  
retirement board. 108

(E) Any statement of financial position distributed by the 109  
board shall include the fair value, as of the statement date, of 110  
all investments held by the board under this section. 111

**Sec. 742.11.** (A) The members of the board of trustees of 112  
the Ohio police and fire pension fund shall be the trustees of 113  
the funds created by section 742.59 of the Revised Code. The 114  
board shall have full power to invest the funds. The board and 115  
other fiduciaries shall discharge their duties with respect to 116  
the funds solely in the interest of the participants and 117  
beneficiaries; for the exclusive purpose of providing benefits 118  
to participants and their beneficiaries and defraying reasonable 119  
expenses of administering the Ohio police and fire pension fund; 120  
with care, skill, prudence, and diligence under the 121  
circumstances then prevailing that a prudent person acting in a 122  
like capacity and familiar with these matters would use in the 123  
conduct of an enterprise of a like character and with like aims; 124  
and by diversifying the investments of the disability and 125  
pension fund so as to minimize the risk of large losses, unless 126  
under the circumstances it is clearly prudent not to do so. 127

The board, in accordance with its fiduciary duties 128  
described under this section, shall make investment decisions 129  
with the sole purpose of maximizing the return on its 130  
investments. The board shall not make an investment decision 131  
with the primary purpose of influencing any social or 132  
environmental policy or attempting to influence the governance 133  
of any corporation. 134

To facilitate investment of the funds, the board may 135  
establish a partnership, trust, limited liability company, 136  
corporation, including a corporation exempt from taxation under 137  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C.A. 1, as 138

amended, or any other legal entity authorized to transact 139  
business in this state. 140

(B) In exercising its fiduciary responsibility with 141  
respect to the investment of the funds, it shall be the intent 142  
of the board to give consideration to investments that enhance 143  
the general welfare of the state and its citizens where the 144  
investments offer quality, return, and safety comparable to 145  
other investments currently available to the board. In 146  
fulfilling this intent, equal consideration shall be given to 147  
investments otherwise qualifying under this section that involve 148  
minority owned and controlled firms and firms owned and 149  
controlled by women, either alone or in joint venture with other 150  
firms. 151

The board shall adopt, in regular meeting, policies, 152  
objectives, or criteria for the operation of the investment 153  
program that include asset allocation targets and ranges, risk 154  
factors, asset class benchmarks, time horizons, total return 155  
objectives, and performance evaluation guidelines. In adopting 156  
policies and criteria for the selection of agents with whom the 157  
board may contract for the administration of the funds, the 158  
board shall comply with sections 742.114 and 742.116 of the 159  
Revised Code and shall also give equal consideration to minority 160  
owned and controlled firms, firms owned and controlled by women, 161  
and joint ventures involving minority owned and controlled firms 162  
and firms owned and controlled by women that otherwise meet the 163  
policies and criteria established by the board. Amendments and 164  
additions to the policies and criteria shall be adopted in 165  
regular meeting. The board shall publish its policies, 166  
objectives, and criteria under this provision no less often than 167  
annually and shall make copies available to interested parties. 168

The board shall not adopt a policy, or take any action to 169  
promote a policy, under which the board makes investment 170  
decisions with the primary purpose of influencing any social or 171  
environmental policy or attempting to influence the governance 172  
of any corporation. 173

When reporting on the performance of investments, the 174  
board shall comply with the performance presentation standards 175  
established by the association for investment management and 176  
research. 177

(C) All bonds, notes, certificates, stocks, or other 178  
evidences of investments purchased by the board shall be 179  
delivered to the treasurer of state, who is hereby designated as 180  
custodian thereof, or to the treasurer of state's authorized 181  
agent, and the treasurer of state or the agent shall collect the 182  
principal, interest, dividends, and distributions that become 183  
due and payable and place them when so collected into the 184  
custodial funds. Evidences of title of the investments may be 185  
deposited by the treasurer of state for safekeeping with an 186  
authorized agent, selected by the treasurer of state, who is a 187  
qualified trustee under section 135.18 of the Revised Code. The 188  
treasurer of state shall pay for the investments purchased by 189  
the board on receipt of written or electronic instructions from 190  
the board or the board's designated agent authorizing the 191  
purchase and pending receipt of the evidence of title of the 192  
investment by the treasurer of state or the treasurer of state's 193  
authorized agent. The board may sell investments held by the 194  
board, and the treasurer of state or the treasurer of state's 195  
authorized agent shall accept payment from the purchaser and 196  
deliver evidence of title of the investment to the purchaser on 197  
receipt of written or electronic instructions from the board or 198  
the board's designated agent authorizing the sale, and pending 199

receipt of the moneys for the investments. The amount received 200  
shall be placed into the custodial funds. The board and the 201  
treasurer of state may enter into agreements to establish 202  
procedures for the purchase and sale of investments under this 203  
division and the custody of the investments. 204

(D) All of the board's business shall be transacted, all 205  
its funds shall be invested, all warrants for money drawn and 206  
payments shall be made, and all of its cash, securities, and 207  
other property shall be held, in the name of the board or its 208  
nominee, provided that nominees are authorized by board 209  
resolution for the purpose of facilitating the ownership and 210  
transfer of investments. 211

(E) No purchase or sale of any investment shall be made 212  
under this section except as authorized by the board of trustees 213  
of the Ohio police and fire pension fund. 214

(F) Any statement of financial position distributed by the 215  
board shall include the fair value, as of the statement date, of 216  
all investments held by the board under this section. 217

**Sec. 3307.15.** (A) The members of the state teachers 218  
retirement board shall be the trustees of the funds created by 219  
section 3307.14 of the Revised Code. The board shall have full 220  
power to invest the funds. The board and other fiduciaries shall 221  
discharge their duties with respect to the funds solely in the 222  
interest of the participants and beneficiaries; for the 223  
exclusive purpose of providing benefits to participants and 224  
their beneficiaries and defraying reasonable expenses of 225  
administering the system; with care, skill, prudence, and 226  
diligence under the circumstances then prevailing that a prudent 227  
person acting in a like capacity and familiar with these matters 228  
would use in the conduct of an enterprise of a like character 229



and with like aims; and by diversifying the investments of the 230  
system so as to minimize the risk of large losses, unless under 231  
the circumstances it is clearly prudent not to do so. 232

The board, in accordance with its fiduciary duties 233  
described under this section, shall make investment decisions 234  
with the sole purpose of maximizing the return on its 235  
investments. The board shall not make an investment decision 236  
with the primary purpose of influencing any social or 237  
environmental policy or attempting to influence the governance 238  
of any corporation. 239

To facilitate investment of the funds, the board may 240  
establish a partnership, trust, limited liability company, 241  
corporation, including a corporation exempt from taxation under 242  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 243  
amended, or any other legal entity authorized to transact 244  
business in this state. 245

(B) In exercising its fiduciary responsibility with 246  
respect to the investment of the funds, it shall be the intent 247  
of the board to give consideration to investments that enhance 248  
the general welfare of the state and its citizens where the 249  
investments offer quality, return, and safety comparable to 250  
other investments currently available to the board. In 251  
fulfilling this intent, equal consideration shall also be given 252  
to investments otherwise qualifying under this section that 253  
involve minority owned and controlled firms and firms owned and 254  
controlled by women, either alone or in joint venture with other 255  
firms. 256

The board shall adopt, in regular meeting, policies, 257  
objectives, or criteria for the operation of the investment 258  
program that include asset allocation targets and ranges, risk 259

factors, asset class benchmarks, time horizons, total return 260  
objectives, and performance evaluation guidelines. In adopting 261  
policies and criteria for the selection of agents with whom the 262  
board may contract for the administration of the funds, the 263  
board shall comply with sections 3307.152 and 3307.154 of the 264  
Revised Code and shall also give equal consideration to minority 265  
owned and controlled firms, firms owned and controlled by women, 266  
and ventures involving minority owned and controlled firms and 267  
firms owned and controlled by women that otherwise meet the 268  
policies and criteria established by the board. Amendments and 269  
additions to the policies and criteria shall be adopted in 270  
regular meeting. The board shall publish its policies, 271  
objectives, and criteria under this provision no less often than 272  
annually and shall make copies available to interested parties. 273

The board shall not adopt a policy, or take any action to 274  
promote a policy, under which the board makes investment 275  
decisions with the primary purpose of influencing any social or 276  
environmental policy or attempting to influence the governance 277  
of any corporation. 278

When reporting on the performance of investments, the 279  
board shall comply with the performance presentation standards 280  
established by the CFA institute. 281

(C) All bonds, notes, certificates, stocks, or other 282  
evidences of investments purchased by the board shall be 283  
delivered to the treasurer of state, who is hereby designated as 284  
custodian thereof, or to the treasurer of state's authorized 285  
agent, and the treasurer of state or the agent shall collect the 286  
principal, interest, dividends, and distributions that become 287  
due and payable and place them when so collected into the 288  
custodial funds. Evidences of title of the investments may be 289

deposited by the treasurer of state for safekeeping with an 290  
authorized agent, selected by the treasurer of state, who is a 291  
qualified trustee under section 135.18 of the Revised Code. The 292  
treasurer of state shall pay for the investments purchased by 293  
the board on receipt of written or electronic instructions from 294  
the board or the board's designated agent authorizing the 295  
purchase and pending receipt of the evidence of title of the 296  
investment by the treasurer of state or the treasurer of state's 297  
authorized agent. The board may sell investments held by the 298  
board, and the treasurer of state or the treasurer of state's 299  
authorized agent shall accept payment from the purchaser and 300  
deliver evidence of title of the investment to the purchaser on 301  
receipt of written or electronic instructions from the board or 302  
the board's designated agent authorizing the sale, and pending 303  
receipt of the moneys for the investments. The amount received 304  
shall be placed into the custodial funds. The board and the 305  
treasurer of state may enter into agreements to establish 306  
procedures for the purchase and sale of investments under this 307  
division and the custody of the investments. 308

(D) No purchase or sale of any investment shall be made 309  
under this section except as authorized by the board. 310

(E) Any statement of financial position distributed by the 311  
board shall include the fair value, as of the statement date, of 312  
all investments held by the board under this section. 313

**Sec. 3309.15.** (A) The members of the school employees 314  
retirement board shall be the trustees of the funds created by 315  
section 3309.60 of the Revised Code. The board shall have full 316  
power to invest the funds. The board and other fiduciaries shall 317  
discharge their duties with respect to the funds solely in the 318  
interest of the participants and beneficiaries; for the 319

exclusive purpose of providing benefits to participants and 320  
their beneficiaries and defraying reasonable expenses of 321  
administering the school employees retirement system; with care, 322  
skill, prudence, and diligence under the circumstances then 323  
prevailing that a prudent person acting in a like capacity and 324  
familiar with such matters would use in the conduct of an 325  
enterprise of a like character and with like aims; and by 326  
diversifying the investments of the system so as to minimize the 327  
risk of large losses, unless under the circumstances it is 328  
clearly prudent not to do so. 329

The board, in accordance with its fiduciary duties 330  
described under this section, shall make investment decisions 331  
with the sole purpose of maximizing the return on its 332  
investments. The board shall not make an investment decision 333  
with the primary purpose of influencing any social or 334  
environmental policy or attempting to influence the governance 335  
of any corporation. 336

The board may establish a partnership, trust, limited 337  
liability company, corporation, including a corporation exempt 338  
from taxation under the Internal Revenue Code, 100 Stat. 2085, 339  
26 U.S.C.A. 1, as amended, or any other legal entity authorized 340  
to transact business in this state. 341

(B) In exercising its fiduciary responsibility with 342  
respect to the investment of the funds, it shall be the intent 343  
of the board to give consideration to investments that enhance 344  
the general welfare of the state and its citizens where the 345  
investments offer quality, return, and safety comparable to 346  
other investments currently available to the board. In 347  
fulfilling this intent, equal consideration shall also be given 348  
to investments otherwise qualifying under this section that 349

involve minority owned and controlled firms and firms owned and 350  
controlled by women, either alone or in joint venture with other 351  
firms. 352

The board shall adopt, in regular meeting, policies, 353  
objectives, or criteria for the operation of the investment 354  
program that include asset allocation targets and ranges, risk 355  
factors, asset class benchmarks, time horizons, total return 356  
objectives, and performance evaluation guidelines. In adopting 357  
policies and criteria for the selection of agents with whom the 358  
board may contract for the administration of the funds, the 359  
board shall comply with sections 3309.157 and 3309.159 of the 360  
Revised Code and shall also give equal consideration to minority 361  
owned and controlled firms, firms owned and controlled by women, 362  
and ventures involving minority owned and controlled firms and 363  
firms owned and controlled by women that otherwise meet the 364  
policies and criteria established by the board. Amendments and 365  
additions to the policies and criteria shall be adopted in 366  
regular meeting. The board shall publish its policies, 367  
objectives, and criteria under this provision no less often than 368  
annually and shall make copies available to interested parties. 369

The board shall not adopt a policy, or take any action to 370  
promote a policy, under which the board makes investment 371  
decisions with the primary purpose of influencing any social or 372  
environmental policy or attempting to influence the governance 373  
of any corporation. 374

If the board contracts with a person, including an agent 375  
or investment manager, for the management or investment of the 376  
funds, the board shall require the person to comply with the 377  
global investment performance standards established by the 378  
chartered financial analyst institute, or a successor 379

organization, when reporting on the performance of investments. 380

(C) All evidences of title of investments purchased by the 381  
board under this section shall be delivered to the treasurer of 382  
state, who is hereby designated as custodian thereof, or to the 383  
treasurer of state's authorized agent, and the treasurer of 384  
state or the agent shall collect principal, interest, dividends, 385  
and distributions that become due and payable and place the same 386  
when so collected into the custodial funds. Evidences of title 387  
of the investments may be deposited by the treasurer of state 388  
for safekeeping with an authorized agent, selected by the 389  
treasurer of state, who is a qualified trustee under section 390  
135.18 of the Revised Code. The treasurer of state shall pay for 391  
the investments purchased by the board pending receipt of the 392  
evidence of title of the investments by the treasurer of state 393  
or to the treasurer of state's authorized agent, and on receipt 394  
of written or electronic instructions from the board or the 395  
board's designated agent authorizing the purchase. The board may 396  
sell any investments held by the board, and the treasurer of 397  
state or the treasurer of state's authorized agent shall accept 398  
payment from the purchaser and deliver evidence of title of the 399  
investment to the purchaser on receipt of written or electronic 400  
instructions from the board or the board's designated agent 401  
authorizing the sale, and pending receipt of the moneys for the 402  
investments. The amount received shall be placed into the 403  
custodial funds. The board and the treasurer of state may enter 404  
into agreements to establish procedures for the purchase and 405  
sale of investments under this division and the custody of the 406  
investment. 407

(D) No purchase or sale of any investment shall be made 408  
under this section except as authorized by the school employees 409  
retirement board. 410

(E) Any statement of financial position distributed by the 411  
board shall include the fair value, as of the statement date, of 412  
all investments held by the board under this section. 413

Sec. 3345.16. The powers and duties prescribed under this 414  
section for the board of trustees of a state college or 415  
university are subject to section 3345.161 of the Revised Code. 416

The board of trustees of a state college or university may 417  
receive, and hold in trust, for the use and benefit of the 418  
college or university any grant or devise of land, and donation 419  
or bequest of money or other personal property, to be applied to 420  
the general or special use of the college or university, 421  
including use for student loan and scholarship purposes, unless 422  
otherwise directed in the donation or bequest. 423

The board of trustees of a state college or university may 424  
utilize trust funds to invest in property, real and personal, as 425  
a portion of the holdings in the endowment portfolio under the 426  
trust powers imparted to the board of trustees. Such property, 427  
real and personal, acquired for investment purposes shall be 428  
managed by the board of trustees in the same manner as are other 429  
investments in the college's or university's endowment 430  
portfolio. The board of trustees may lease, lease back, or 431  
otherwise contract for the use of such property in such manner 432  
as to provide earning power for the college or university 433  
investment portfolio. Sections 123.01, 123.02, 123.10, and 434  
123.13 of the Revised Code do not apply to properties, real and 435  
personal, held under this section as earning-power properties in 436  
the college or university endowment portfolio. 437

Notwithstanding any provision of the Revised Code to the 438  
contrary, the title in properties, real and personal, purchased 439  
by a board of trustees as an investment and held in the 440

college's or university's endowment portfolio shall not be 441  
vested in the state, but shall be held in trust by the board. 442

Sec. 3345.161. (A) The board of trustees of a state 443  
institution of higher education, as defined in section 3345.011 444  
of the Revised Code and in accordance with its fiduciary duties 445  
described under sections 3345.05, 3354.10, 3357.10, and 3358.06 446  
of the Revised Code, shall manage its endowment portfolio with 447  
the goal of maximizing the return on its investments. 448

(B) No board of trustees shall do either of the following: 449

(1) Except as provided in division (C) of this section, 450  
make investment decisions or adopt investment policies regarding 451  
its endowment portfolio with the primary purpose of influencing 452  
any social or environmental policy, including by attempting to 453  
influence the governance of any corporation; 454

(2) Permit any person or entity to which it delegates the 455  
management of part or all of its endowment portfolio to engage 456  
in or promote such decisions or policies. 457

(C) A board of trustees shall not deny a bequest made by a 458  
decedent to an endowment in its endowment portfolio on and after 459  
the effective date of this section because the bequest 460  
specifically requests the donation be used with the primary 461  
purpose of influencing any social or environmental policy, 462  
including by attempting to influence the governance of any 463  
corporation. If the board of trustees accepts such a bequest, 464  
the board of trustees shall comply with any conditions of the 465  
bequest regarding that purpose. 466

**Sec. 4123.44.** The members of the bureau of workers' 467  
compensation board of directors, the administrator of workers' 468  
compensation, and the bureau of workers' compensation chief 469



investment officer are the trustees of the state insurance fund. 470  
The administrator, in accordance with sections 4121.126 and 471  
4121.127 of the Revised Code and the investment policy approved 472  
by the board pursuant to section 4121.12 of the Revised Code, 473  
and in consultation with the bureau of workers' compensation 474  
chief investment officer, may invest any of the surplus or 475  
reserve belonging to the state insurance fund. The administrator 476  
and the bureau of workers' compensation chief investment officer 477  
shall not deviate from the investment policy approved by the 478  
board without the approval of the workers' compensation 479  
investment committee and the board. 480

The administrator shall not invest in any type of 481  
investment specified in divisions (B)(1) to (10) of section 482  
4123.442 of the Revised Code. The administrator shall not make 483  
an investment decision with the primary purpose of influencing 484  
any social or environmental policy or attempting to influence 485  
the governance of any corporation. 486

The administrator and other fiduciaries shall discharge 487  
their duties with respect to the funds with the care, skill, 488  
prudence, and diligence under the circumstances then prevailing 489  
that a prudent person acting in a like capacity and familiar 490  
with such matters would use in the conduct of an enterprise of a 491  
like character and with like aims, and by diversifying the 492  
investments of the assets of the funds so as to minimize the 493  
risk of large losses, unless under the circumstances it is 494  
clearly prudent not to do so. 495

The administrator and other fiduciaries, in accordance 496  
with their fiduciary duties described under this section, shall 497  
make investment decisions with the sole purpose of maximizing 498  
the return on investments and that are consistent with any other 499

fiduciary responsibilities of the administrator and other 500  
fiduciaries under this chapter and Chapters 4121., 4127., and 501  
4131. of the Revised Code. 502

To facilitate investment of the funds, the administrator 503  
may establish a partnership, trust, limited liability company, 504  
corporation, including a corporation exempt from taxation under 505  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 506  
amended, or any other legal entity authorized to transact 507  
business in this state. 508

When reporting on the performance of investments, the 509  
administrator shall comply with the performance presentation 510  
standards established by the association for investment 511  
management and research. 512

All investments shall be purchased at current market 513  
prices and the evidences of title to the investments shall be 514  
placed in the custody of the treasurer of state, who is hereby 515  
designated as custodian, or in the custody of the treasurer of 516  
state's authorized agent. Evidences of title of the investments 517  
so purchased may be deposited by the treasurer of state for 518  
safekeeping with an authorized agent selected by the treasurer 519  
of state who is a qualified trustee under section 135.18 of the 520  
Revised Code. The treasurer of state or the agent shall collect 521  
the principal, dividends, distributions, and interest as they 522  
become due and payable and place them when collected into the 523  
state insurance fund. 524

The treasurer of state shall pay for investments purchased 525  
by the administrator on receipt of written or electronic 526  
instructions from the administrator or the administrator's 527  
designated agent authorizing the purchase, and pending receipt 528  
of the evidence of title of the investment by the treasurer of 529

state or the treasurer of state's authorized agent. The 530  
administrator may sell investments held by the administrator, 531  
and the treasurer of state or the treasurer of state's 532  
authorized agent shall accept payment from the purchaser and 533  
deliver evidence of title of the investment to the purchaser, on 534  
receipt of written or electronic instructions from the 535  
administrator or the administrator's designated agent 536  
authorizing the sale, and pending receipt of the moneys for the 537  
investments. The amount received shall be placed in the state 538  
insurance fund. The administrator and the treasurer of state may 539  
enter into agreements to establish procedures for the purchase 540  
and sale of investments under this division and the custody of 541  
the investments. 542

No purchase or sale of any investment shall be made under 543  
this section, except as authorized by the administrator. 544

Any statement of financial position distributed by the 545  
administrator shall include the fair value, as of the statement 546  
date, of all investments held by the administrator under this 547  
section. 548

When in the judgment of the administrator it is necessary 549  
to provide available funds for the payment of compensation or 550  
benefits under this chapter, the administrator may borrow money 551  
from any available source and pledge as security a sufficient 552  
amount of bonds or other securities in which the state insurance 553  
fund is invested. The aggregate unpaid amount of loans existing 554  
at any one time for money so borrowed shall not exceed ten 555  
million dollars. The bonds or other securities so pledged as 556  
security for such loans to the administrator shall be the sole 557  
security for the payment of the principal and interest of any 558  
such loan. The administrator shall not be personally liable for 559

the payment of the principal or the interest of any such loan. 560  
No such loan shall be made for a longer period of time than one 561  
year. Such loans may be renewed but no one renewal shall be for 562  
a period in excess of one year. Such loans shall bear such rate 563  
of interest as the administrator determines and in negotiating 564  
the loans, the administrator shall endeavor to secure as 565  
favorable interest rates and terms as circumstances will permit. 566

The treasurer of state may deliver to the person or 567  
governmental agency making such loan, the bonds or other 568  
securities which are to be pledged by the administrator as 569  
security for such loan, upon receipt by the treasurer of state 570  
of an order of the administrator authorizing such loan. Upon 571  
payment of any such loan by the administrator, the bonds or 572  
other securities pledged as security therefor shall be returned 573  
to the treasurer of state as custodian of such bonds. 574

The administrator may pledge with the treasurer of state 575  
such amount of bonds or other securities in which the state 576  
insurance fund is invested as is reasonably necessary as 577  
security for any certificates issued, or paid out, by the 578  
treasurer of state upon any warrants drawn by the administrator. 579

The administrator may secure investment information 580  
services, consulting services, and other like services to 581  
facilitate investment of the surplus and reserve belonging to 582  
the state insurance fund. The administrator shall pay the 583  
expense of securing such services from the state insurance fund. 584

The board and administrator shall not take any action to 585  
promote a policy under which the administrator makes investment 586  
decisions with the primary purpose of influencing any social or 587  
environmental policy or attempting to influence the governance 588  
of any corporation. 589

Sec. 4123.442. When developing the investment policy for 590  
the investment of the assets of the funds specified in this 591  
chapter and Chapters 4121., 4127., and 4131. of the Revised 592  
Code, the workers' compensation investment committee shall do 593  
all of the following: 594

(A) Specify the asset allocation targets and ranges, risk 595  
factors, asset class benchmarks, time horizons, total return 596  
objectives, and performance evaluation guidelines; 597

(B) Prohibit investing the assets of those funds, directly 598  
or indirectly, in vehicles that target any of the following: 599

(1) Coins; 600

(2) Artwork; 601

(3) Horses; 602

(4) Jewelry or gems; 603

(5) Stamps; 604

(6) Antiques; 605

(7) Artifacts; 606

(8) Collectibles; 607

(9) Memorabilia; 608

(10) Similar unregulated investments that are not commonly 609  
part of an institutional portfolio, that lack liquidity, and 610  
that lack readily determinable valuation. 611

(C) Specify that the administrator of workers' 612  
compensation may invest in an investment class only if the 613  
bureau of workers' compensation board of directors, by a 614  
majority vote, opens that class; 615

(D) Prohibit investing the assets of those funds in any 616  
class of investments the board, by majority vote, closed, or any 617  
specific investment in which the board prohibits the 618  
administrator from investing; 619

(E) Prohibit investing the assets of those funds with the 620  
primary purpose of influencing any social or environmental 621  
policy or attempting to influence the governance of any 622  
corporation; 623

(F) Not specify in the investment policy that the 624  
administrator or employees of the bureau of workers' 625  
compensation are prohibited from conducting business with an 626  
investment management firm, any investment management 627  
professional associated with that firm, any third party 628  
solicitor associated with that firm, or any political action 629  
committee controlled by that firm or controlled by an investment 630  
management professional of that firm based on criteria that are 631  
more restrictive than the restrictions described in divisions 632  
(Y) and (Z) of section 3517.13 of the Revised Code. 633

**Sec. 5505.06.** (A) The members of the state highway patrol 634  
retirement board shall be the trustees of the funds created by 635  
section 5505.03 of the Revised Code. The board shall have full 636  
power to invest the funds. The board and other fiduciaries shall 637  
discharge their duties with respect to the funds solely in the 638  
interest of the participants and beneficiaries; for the 639  
exclusive purpose of providing benefits to participants and 640  
their beneficiaries and defraying reasonable expenses of 641  
administering the system; with care, skill, prudence, and 642  
diligence under the circumstances then prevailing that a prudent 643  
person acting in a like capacity and familiar with these matters 644  
would use in the conduct of an enterprise of a like character 645

and with like aims; and by diversifying the investments of the 646  
system so as to minimize the risk of large losses, unless under 647  
the circumstances it is clearly prudent not to do so. 648

The board, in accordance with its fiduciary duties 649  
described under this section, shall make investment decisions 650  
with the sole purpose of maximizing the return on its 651  
investments. The board shall not make an investment decision 652  
with the primary purpose of influencing any social or 653  
environmental policy or attempting to influence the governance 654  
of any corporation. 655

To facilitate investment of the funds, the board may 656  
establish a partnership, trust, limited liability company, 657  
corporation, including a corporation exempt from taxation under 658  
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 659  
amended, or any other legal entity authorized to transact 660  
business in this state. 661

(B) In exercising its fiduciary responsibility with 662  
respect to the investment of the funds, it shall be the intent 663  
of the board to give consideration to investments that enhance 664  
the general welfare of the state and its citizens where the 665  
investments offer quality, return, and safety comparable to 666  
other investments currently available to the board. In 667  
fulfilling this intent, equal consideration shall be given to 668  
investments otherwise qualifying under this section that involve 669  
minority owned and controlled firms and firms owned and 670  
controlled by women, either alone or in joint venture with other 671  
firms. 672

The board shall adopt, in regular meeting, policies, 673  
objectives, or criteria for the operation of the investment 674  
program that include asset allocation targets and ranges, risk 675

factors, asset class benchmarks, time horizons, total return 676  
objectives, and performance evaluation guidelines. In adopting 677  
policies and criteria for the selection of agents with whom the 678  
board may contract for the administration of the funds, the 679  
board shall comply with sections ~~5505.062~~ 5505.068 and ~~5505.064~~ 680  
5505.0610 of the Revised Code and shall also give equal 681  
consideration to minority owned and controlled firms, firms 682  
owned and controlled by women, and joint ventures involving 683  
minority owned and controlled firms and firms owned and 684  
controlled by women that otherwise meet the policies and 685  
criteria established by the board. Amendments and additions to 686  
the policies and criteria shall be adopted in regular meeting. 687  
The board shall publish its policies, objectives, and criteria 688  
under this provision no less often than annually and shall make 689  
copies available to interested parties. 690

The board shall not adopt a policy, or take any action to 691  
promote a policy, under which the board makes investment 692  
decisions with the primary purpose of influencing any social or 693  
environmental policy or attempting to influence the governance 694  
of any corporation. 695

When reporting on the performance of investments, the 696  
board shall comply with the performance presentation standards 697  
established by the association for investment management and 698  
research. 699

(C) All evidences of title of the investments purchased by 700  
the board shall be delivered to the treasurer of state, who is 701  
hereby designated as the custodian thereof, or to the treasurer 702  
of state's authorized agent. Evidences of title of the 703  
investments may be deposited by the treasurer of state for 704  
safekeeping with an authorized agent, selected by the treasurer 705



of state, who is a qualified trustee under section 135.18 of the Revised Code. The treasurer of state shall collect the principal, interest, dividends, and distributions that become due and payable and, when collected, shall credit them to the custodial funds.

The treasurer of state shall pay for the investments purchased by the board on receipt of written or electronic instructions from the board or the board's designated agent authorizing the purchase and pending receipt of the evidence of title of the investment by the treasurer of state or the treasurer of state's authorized agent. The board may sell investments held by the board, and the treasurer of state or the treasurer of state's authorized agent shall accept payment from the purchaser and deliver evidence of title of the investment to the purchaser on receipt of written or electronic instructions from the board or the board's designated agent authorizing the sale, and pending receipt of the moneys for the investments. The amount received shall be placed in the custodial funds. The board and the treasurer of state may enter into agreements to establish procedures for the purchase and sale of investments under this division and the custody of the investments.

(D) All of the board's business shall be transacted, all its funds shall be invested, all warrants for money drawn and payments shall be made, and all of its cash, securities, and other property shall be held, in the name of the board or its nominee, provided that nominees are authorized by board resolution for the purpose of facilitating the ownership and transfer of investments.

(E) No purchase or sale of any investment shall be made under this section except as authorized by the board.

(F) Any statement of financial position distributed by the 736  
board shall include the fair value, as of the statement date, of 737  
all investments held by the board under this section. 738

**Section 2.** That existing sections 145.11, 742.11, 3307.15, 739  
3309.15, 3345.16, 4123.44, 4123.442, and 5505.06 of the Revised 740  
Code are hereby repealed. 741

**Section 3.** (A) As used in this section, "state retirement 742  
system" means the Public Employees Retirement System, Ohio 743  
Police and Fire Pension Fund, State Teachers Retirement System, 744  
School Employees Retirement System, and State Highway Patrol 745  
Retirement System. 746

(B) A state retirement system, if the system offers a 747  
defined contribution plan, is encouraged to offer multiple 748  
investment choices for members who are under the defined 749  
contribution plan. 750