

CHAPTER 495

(House Bill 163)

AN ACT concerning

**Retirement and Pensions - Quarterly Estimate of Manager Fees -
Alternative Investment Managers**

FOR the purpose of increasing certain fee limitations for the external management of certain investments; providing for the carry-over of the unspent quarterly fees estimated for the external management of certain investments; and generally relating to certain fee limitations for the external management of certain investments.

BY repealing and reenacting, with amendments,
Article - State Personnel and Pensions
Section 21-315(d)
Annotated Code of Maryland
(1997 Replacement Volume and 2001 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - State Personnel and Pensions

21-315.

(d) (1) Each quarter of the fiscal year the Board of Trustees shall estimate:

[(1)] (I) one-fourth of an amount, not exceeding 1.2% of the market value as of the last day of the preceding quarter of assets externally invested in real estate OR ALTERNATIVE INVESTMENTS, necessary for external real estate OR ALTERNATIVE investment management services; and

[(2)] (II) one-fourth of an amount, not exceeding 0.3% of the market value as of the last day of the preceding quarter of invested assets that are externally managed exclusive of assets invested in real estate OR ALTERNATIVE INVESTMENTS, necessary to procure and retain investment management services other than external real estate OR ALTERNATIVE investment management services.

(2) IN ADDITION TO THE AMOUNT ESTIMATED IN PARAGRAPH (1)(I) OF THIS SUBSECTION, ANY PREVIOUSLY ESTIMATED AMOUNT THAT HAS NOT BEEN PAID TO AN EXTERNAL REAL ESTATE OR ALTERNATIVE INVESTMENT MANAGEMENT SERVICE BY THE LAST DAY OF EACH QUARTER SHALL BE CARRIED OVER INTO THE NEXT QUARTER AND ADDED TO THE NEW ESTIMATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect any previously unspent quarterly estimates for external real estate or alternative investment management services on or after July 1, 2000.