

2429

Sponsor(s): Representatives Huff, H. Sommers, Carlson, Wolfe and L. Thomas; by request of State Investment Board

Brief Title: Providing for the operation of the state investment board.

HB 2429 - DIGEST

(DIGEST AS PASSED LEGISLATURE)

Provides that the board shall: (1) Consider investments not in isolation, but in the context of the investment of the particular fund as a whole and as part of an overall investment strategy, which should incorporate risk and return objectives reasonably suited for that fund; and

(2) diversify the investments of the particular fund unless, because of special circumstances, the board reasonably determines that the purposes of that fund are better served without diversifying. However, no corporate fixed-income issue or common stock holding may exceed three percent of the cost or six percent of the market value of the assets of that fund.

VETO MESSAGE ON HB 2429

March 27, 1998

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, House Bill No. 2429 entitled:

"AN ACT Relating to the operation of the state investment board;"

This legislation is identical to Senate Bill No. 6192 which I signed into law on March 11, 1998.

For this reason, I have vetoed House Bill No. 2429 in its entirety.

Respectfully submitted,
Gary Locke
Governor