

As Introduced

134th General Assembly

Regular Session

2021-2022

H. B. No. 540

Representatives Kelly, Ghanbari

Cosponsors: Representatives Russo, Brown, Miranda, Smith, M., Seitz, White,
Sheehy, Smith, K., Lightbody, Miller, A., Plummer

A BILL

To enact sections 145.117, 742.117, 3307.16, 1
3309.151, and 5505.066 of the Revised Code to 2
require the state retirement system boards to 3
disclose certain financial information regarding 4
alternative investments. 5

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

Section 1. That sections 145.117, 742.117, 3307.16, 6
3309.151, and 5505.066 of the Revised Code be enacted to read as 7
follows: 8

Sec. 145.117. (A) As used in this section: 9

(1) "Alternative investment" means an investment in a 10
private equity fund, venture fund, hedge fund, real estate fund, 11
or absolute return fund. 12

(2) "Alternative investment vehicle" means a limited 13
partnership, limited liability company, or other legal structure 14
through which the public employees retirement board invests in 15
an alternative investment. 16

(3) "Carried interest" means any share of profits from an alternative investment vehicle that is distributed to a fund manager or related parties, including allocations of alternative investment vehicle profits received by a fund manager in consideration of having waived fees the fund manager might otherwise have been entitled to receive. 17
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(4) "Fund manager" includes the general partner, managing manager, adviser, or other person with primary investment decision-making authority over an alternative investment vehicle. "Fund manager" includes related parties of a fund manager. 23
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(5) "Operational person" means any operational partner, senior advisor, or other consultant or employee whose primary activity for a relevant entity is to provide operational support to any portfolio company of any alternative investment vehicle, account, or fund managed by a related person. 28
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(6) "Related party" means: 33

(a) Any related person or operational person; 34

(b) Any entity more than ten per cent of the ownership of which is held directly or indirectly, whether through other entities or trusts, by a related person or operational person regardless of whether the related person or operational person participates in the carried interest received by the general partner or special limited partner; 35
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(c) Any consulting, legal, or other service provider regularly engaged by portfolio companies of an alternative investment vehicle, account, or fund that is managed by a related person and provides advice or services to any related person or relevant entity. 41
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(7) "Related person" means any current or former employee, manager, or partner of any entity that is involved in the investment activities or accounting and valuation functions of a relevant entity or any family member of the employee, manager, or partner. 46
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(8) "Relevant entity" means the general partner, any separate carry vehicle, the investor advisor, any of the investment advisor's parent or subsidiary entities, or any similar entity related to any other alternative investment vehicle, account, or fund advised or managed by any current or former related person. 51
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(B) (1) The board shall require each alternative investment vehicle through which it invests to disclose to the board, at least annually, all of the following information: 57
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(a) The fees and expenses the public employees retirement system pays directly to the alternative investment vehicle, fund manager, and any related parties; 60
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(b) The retirement system's share of fees and expenses not included in division (B) (1) (a) of this section that are paid from the alternative investment vehicle to the fund manager and any related parties; 63
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(c) The retirement system's share of carried interest distributed to the fund manager or related parties; 67
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(d) The retirement system's share of aggregate fees and expenses paid by all of the portfolio companies held within the alternative investment vehicle to the fund manager or related parties; 69
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(e) The alternative investment vehicle's gross and net rate of return since its inception; 73
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(f) The investment multiple of each alternative investment vehicle since inception. 75
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(2) The board may independently calculate the information described in division (B)(1)(b) of this section based on information the alternative investment vehicle is contractually required to provide to the board. If the board independently calculates that information, the alternative investment vehicle is not required to provide it to the board. 77
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(C)(1) Not later than one year after the effective date of this section, and at least once each year thereafter, the board shall compile and include in a written report all of the following information and present the information at a meeting open to the public: 83
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(a) The information disclosed to the board under division (B)(1) of this section; 88
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(b) The information calculated under division (B)(2) of this section, if applicable; 90
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(c) The information required by division (C)(2) of this section. 92
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(2) The board shall include in the report required by division (C)(1) of this section all the following information regarding all of the alternative investment vehicles through which the board invests: 94
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(a) The name, address, and year in which the initial investment capital was delivered to each alternative investment vehicle; 98
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(b) The dollar amount of the commitment and cash contributions the board has made to each alternative investment 101
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<u>vehicle since inception;</u>	103
<u>(c) The dollar amount, on a fiscal year-end basis, of cash</u>	104
<u>distributions the board receives from each alternative</u>	105
<u>investment vehicle;</u>	106
<u>(d) The dollar amount, on a fiscal year-end basis, of cash</u>	107
<u>distributions the board receives, plus the remaining value of</u>	108
<u>partnership assets attributable to the board's investment in</u>	109
<u>each alternative investment vehicle;</u>	110
<u>(e) The dollar amount of the total management fees and</u>	111
<u>costs paid on an annual fiscal year-end basis by the board to</u>	112
<u>each alternative investment vehicle;</u>	113
<u>(f) The dollar amount of cash profit the board receives</u>	114
<u>from each alternative investment vehicle on a fiscal year-end</u>	115
<u>basis.</u>	116
<u>(D) This section applies to all contracts the board enters</u>	117
<u>into on or after the effective date of this section and any</u>	118
<u>existing contract pursuant to which the board makes a new</u>	119
<u>capital commitment on or after that date. The board shall make</u>	120
<u>reasonable efforts to obtain the information described in</u>	121
<u>division (B) of this section about alternative investments made</u>	122
<u>under contracts entered into on or before the effective date of</u>	123
<u>this section to which no new capital commitments are made and to</u>	124
<u>comply with the reporting requirements in division (C) of this</u>	125
<u>section with respect to those investments.</u>	126
<u>Sec. 742.117. (A) As used in this section:</u>	127
<u>(1) "Alternative investment" means an investment in a</u>	128
<u>private equity fund, venture fund, hedge fund, real estate fund,</u>	129
<u>or absolute return fund.</u>	130

(2) "Alternative investment vehicle" means a limited partnership, limited liability company, or other legal structure through which the board of trustees of the Ohio police and fire pension fund invests in an alternative investment. 131
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(3) "Carried interest" means any share of profits from an alternative investment vehicle that is distributed to a fund manager or related parties, including allocations of alternative investment vehicle profits received by a fund manager in consideration of having waived fees the fund manager might otherwise have been entitled to receive. 135
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(4) "Fund manager" includes the general partner, managing manager, adviser, or other person with primary investment decision-making authority over an alternative investment vehicle. "Fund manager" includes related parties of a fund manager. 141
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(5) "Operational person" means any operational partner, senior advisor, or other consultant or employee whose primary activity for a relevant entity is to provide operational support to any portfolio company of any alternative investment vehicle, account, or fund managed by a related person. 146
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(6) "Related party" means: 151

(a) Any related person or operational person; 152

(b) Any entity more than ten per cent of the ownership of which is held directly or indirectly, whether through other entities or trusts, by a related person or operational person regardless of whether the related person or operational person participates in the carried interest received by the general partner or special limited partner; 153
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(c) Any consulting, legal, or other service provider 159

regularly engaged by portfolio companies of an alternative 160
investment vehicle, account, or fund that is managed by a 161
related person and provides advice or services to any related 162
person or relevant entity. 163

(7) "Related person" means any current or former employee, 164
manager, or partner of any entity that is involved in the 165
investment activities or accounting and valuation functions of a 166
relevant entity or any family member of the employee, manager, 167
or partner. 168

(8) "Relevant entity" means the general partner, any 169
separate carry vehicle, the investor advisor, any of the 170
investment advisor's parent or subsidiary entities, or any 171
similar entity related to any other alternative investment 172
vehicle, account, or fund advised or managed by any current or 173
former related person. 174

(B) (1) The board shall require each alternative investment 175
vehicle through which it invests to disclose to the board, at 176
least annually, all of the following information: 177

(a) The fees and expenses the fund pays directly to the 178
alternative investment vehicle, fund manager, and any related 179
parties; 180

(b) The fund's share of fees and expenses not included in 181
division (B) (1) (a) of this section that are paid from the 182
alternative investment vehicle to the fund manager and any 183
related parties; 184

(c) The fund's share of carried interest distributed to 185
the fund manager or related parties; 186

(d) The fund's share of aggregate fees and expenses paid 187
by all of the portfolio companies held within the alternative 188

<u>investment vehicle to the fund manager or related parties;</u>	189
<u>(e) The alternative investment vehicle's gross and net</u>	190
<u>rate of return since its inception;</u>	191
<u>(f) The investment multiple of each alternative investment</u>	192
<u>vehicle since inception.</u>	193
<u>(2) The board may independently calculate the information</u>	194
<u>described in division (B)(1)(b) of this section based on</u>	195
<u>information the alternative investment vehicle is contractually</u>	196
<u>required to provide to the board. If the board independently</u>	197
<u>calculates that information, the alternative investment vehicle</u>	198
<u>is not required to provide it to the board.</u>	199
<u>(C)(1) Not later than one year after the effective date of</u>	200
<u>this section, and at least once each year thereafter, the board</u>	201
<u>shall compile and include in a written report all of the</u>	202
<u>following information and present the information at a meeting</u>	203
<u>open to the public:</u>	204
<u>(a) The information disclosed to the board under division</u>	205
<u>(B)(1) of this section;</u>	206
<u>(b) The information calculated under division (B)(2) of</u>	207
<u>this section, if applicable;</u>	208
<u>(c) The information required by division (C)(2) of this</u>	209
<u>section.</u>	210
<u>(2) The board shall include in the report required by</u>	211
<u>division (C)(1) of this section all the following information</u>	212
<u>regarding all of the alternative investment vehicles through</u>	213
<u>which the board invests:</u>	214
<u>(a) The name, address, and year in which the initial</u>	215
<u>investment capital was delivered to each alternative investment</u>	216

<u>vehicle;</u>	217
<u>(b) The dollar amount of the commitment and cash</u>	218
<u>contributions the board has made to each alternative investment</u>	219
<u>vehicle since inception;</u>	220
<u>(c) The dollar amount, on a fiscal year-end basis, of cash</u>	221
<u>distributions the board receives from each alternative</u>	222
<u>investment vehicle;</u>	223
<u>(d) The dollar amount, on a fiscal year-end basis, of cash</u>	224
<u>distributions the board receives, plus the remaining value of</u>	225
<u>partnership assets attributable to the board's investment in</u>	226
<u>each alternative investment vehicle;</u>	227
<u>(e) The dollar amount of the total management fees and</u>	228
<u>costs paid on an annual fiscal year-end basis by the board to</u>	229
<u>each alternative investment vehicle;</u>	230
<u>(f) The dollar amount of cash profit the board receives</u>	231
<u>from each alternative investment vehicle on a fiscal year-end</u>	232
<u>basis.</u>	233
<u>(D) This section applies to all contracts the board enters</u>	234
<u>into on or after the effective date of this section and any</u>	235
<u>existing contract pursuant to which the board makes a new</u>	236
<u>capital commitment on or after that date. The board shall make</u>	237
<u>reasonable efforts to obtain the information described in</u>	238
<u>division (B) of this section about alternative investments made</u>	239
<u>under contracts entered into on or before the effective date of</u>	240
<u>this section to which no new capital commitments are made and to</u>	241
<u>comply with the reporting requirements in division (C) of this</u>	242
<u>section with respect to those investments.</u>	243
<u>Sec. 3307.16. (A) As used in this section:</u>	244

(1) "Alternative investment" means an investment in a 245
private equity fund, venture fund, hedge fund, real estate fund, 246
or absolute return fund. 247

(2) "Alternative investment vehicle" means a limited 248
partnership, limited liability company, or other legal structure 249
through which the state teachers retirement board invests in an 250
alternative investment. 251

(3) "Carried interest" means any share of profits from an 252
alternative investment vehicle that is distributed to a fund 253
manager or related parties, including allocations of alternative 254
investment vehicle profits received by a fund manager in 255
consideration of having waived fees the fund manager might 256
otherwise have been entitled to receive. 257

(4) "Fund manager" includes the general partner, managing 258
manager, adviser, or other person with primary investment 259
decision-making authority over an alternative investment 260
vehicle. "Fund manager" includes related parties of a fund 261
manager. 262

(5) "Operational person" means any operational partner, 263
senior advisor, or other consultant or employee whose primary 264
activity for a relevant entity is to provide operational support 265
to any portfolio company of any alternative investment vehicle, 266
account, or fund managed by a related person. 267

(6) "Related party" means: 268

(a) Any related person or operational person; 269

(b) Any entity more than ten per cent of the ownership of 270
which is held directly or indirectly, whether through other 271
entities or trusts, by a related person or operational person 272
regardless of whether the related person or operational person 273

<u>participates in the carried interest received by the general</u>	274
<u>partner or special limited partner;</u>	275
<u>(c) Any consulting, legal, or other service provider</u>	276
<u>regularly engaged by portfolio companies of an alternative</u>	277
<u>investment vehicle, account, or fund that is managed by a</u>	278
<u>related person and provides advice or services to any related</u>	279
<u>person or relevant entity.</u>	280
<u>(7) "Related person" means any current or former employee,</u>	281
<u>manager, or partner of any entity that is involved in the</u>	282
<u>investment activities or accounting and valuation functions of a</u>	283
<u>relevant entity or any family member of the employee, manager,</u>	284
<u>or partner.</u>	285
<u>(8) "Relevant entity" means the general partner, any</u>	286
<u>separate carry vehicle, the investor advisor, any of the</u>	287
<u>investment advisor's parent or subsidiary entities, or any</u>	288
<u>similar entity related to any other alternative investment</u>	289
<u>vehicle, account, or fund advised or managed by any current or</u>	290
<u>former related person.</u>	291
<u>(B) (1) The board shall require each alternative investment</u>	292
<u>vehicle through which it invests to disclose to the board, at</u>	293
<u>least annually, all of the following information:</u>	294
<u>(a) The fees and expenses the state teachers retirement</u>	295
<u>system pays directly to the alternative investment vehicle, fund</u>	296
<u>manager, and any related parties;</u>	297
<u>(b) The retirement system's share of fees and expenses not</u>	298
<u>included in division (B) (1) (a) of this section that are paid</u>	299
<u>from the alternative investment vehicle to the fund manager and</u>	300
<u>any related parties;</u>	301
<u>(c) The retirement system's share of carried interest</u>	302

<u>distributed to the fund manager or related parties;</u>	303
<u>(d) The retirement system's share of aggregate fees and</u>	304
<u>expenses paid by all of the portfolio companies held within the</u>	305
<u>alternative investment vehicle to the fund manager or related</u>	306
<u>parties;</u>	307
<u>(e) The alternative investment vehicle's gross and net</u>	308
<u>rate of return since its inception;</u>	309
<u>(f) The investment multiple of each alternative investment</u>	310
<u>vehicle since inception.</u>	311
<u>(2) The board may independently calculate the information</u>	312
<u>described in division (B) (1) (b) of this section based on</u>	313
<u>information the alternative investment vehicle is contractually</u>	314
<u>required to provide to the board. If the board independently</u>	315
<u>calculates that information, the alternative investment vehicle</u>	316
<u>is not required to provide it to the board.</u>	317
<u>(C) (1) Not later than one year after the effective date of</u>	318
<u>this section, and at least once each year thereafter, the board</u>	319
<u>shall compile and include in a written report all of the</u>	320
<u>following information and present the information at a meeting</u>	321
<u>open to the public:</u>	322
<u>(a) The information disclosed to the board under division</u>	323
<u>(B) (1) of this section;</u>	324
<u>(b) The information calculated under division (B) (2) of</u>	325
<u>this section, if applicable;</u>	326
<u>(c) The information required by division (C) (2) of this</u>	327
<u>section.</u>	328
<u>(2) The board shall include in the report required by</u>	329
<u>division (C) (1) of this section all the following information</u>	330

<u>regarding all of the alternative investment vehicles through</u>	331
<u>which the board invests:</u>	332
<u>(a) The name, address, and year in which the initial</u>	333
<u>investment capital was delivered to each alternative investment</u>	334
<u>vehicle;</u>	335
<u>(b) The dollar amount of the commitment and cash</u>	336
<u>contributions the board has made to each alternative investment</u>	337
<u>vehicle since inception;</u>	338
<u>(c) The dollar amount, on a fiscal year-end basis, of cash</u>	339
<u>distributions the board receives from each alternative</u>	340
<u>investment vehicle;</u>	341
<u>(d) The dollar amount, on a fiscal year-end basis, of cash</u>	342
<u>distributions the board receives, plus the remaining value of</u>	343
<u>partnership assets attributable to the board's investment in</u>	344
<u>each alternative investment vehicle;</u>	345
<u>(e) The dollar amount of the total management fees and</u>	346
<u>costs paid on an annual fiscal year-end basis by the board to</u>	347
<u>each alternative investment vehicle;</u>	348
<u>(f) The dollar amount of cash profit the board receives</u>	349
<u>from each alternative investment vehicle on a fiscal year-end</u>	350
<u>basis.</u>	351
<u>(D) This section applies to all contracts the board enters</u>	352
<u>into on or after the effective date of this section and any</u>	353
<u>existing contract pursuant to which the board makes a new</u>	354
<u>capital commitment on or after that date. The board shall make</u>	355
<u>reasonable efforts to obtain the information described in</u>	356
<u>division (B) of this section about alternative investments made</u>	357
<u>under contracts entered into on or before the effective date of</u>	358
<u>this section to which no new capital commitments are made and to</u>	359

comply with the reporting requirements in division (C) of this 360
section with respect to those investments. 361

Sec. 3309.151. (A) As used in this section: 362

(1) "Alternative investment" means an investment in a 363
private equity fund, venture fund, hedge fund, real estate fund, 364
or absolute return fund. 365

(2) "Alternative investment vehicle" means a limited 366
partnership, limited liability company, or other legal structure 367
through which the school employees retirement board invests in 368
an alternative investment. 369

(3) "Carried interest" means any share of profits from an 370
alternative investment vehicle that is distributed to a fund 371
manager or related parties, including allocations of alternative 372
investment vehicle profits received by a fund manager in 373
consideration of having waived fees the fund manager might 374
otherwise have been entitled to receive. 375

(4) "Fund manager" includes the general partner, managing 376
manager, adviser, or other person with primary investment 377
decision-making authority over an alternative investment 378
vehicle. "Fund manager" includes related parties of a fund 379
manager. 380

(5) "Operational person" means any operational partner, 381
senior advisor, or other consultant or employee whose primary 382
activity for a relevant entity is to provide operational support 383
to any portfolio company of any alternative investment vehicle, 384
account, or fund managed by a related person. 385

(6) "Related party" means: 386

(a) Any related person or operational person; 387

(b) Any entity more than ten per cent of the ownership of 388
which is held directly or indirectly, whether through other 389
entities or trusts, by a related person or operational person 390
regardless of whether the related person or operational person 391
participates in the carried interest received by the general 392
partner or special limited partner; 393

(c) Any consulting, legal, or other service provider 394
regularly engaged by portfolio companies of an alternative 395
investment vehicle, account, or fund that is managed by a 396
related person and provides advice or services to any related 397
person or relevant entity. 398

(7) "Related person" means any current or former employee, 399
manager, or partner of any entity that is involved in the 400
investment activities or accounting and valuation functions of a 401
relevant entity or any family member of the employee, manager, 402
or partner. 403

(8) "Relevant entity" means the general partner, any 404
separate carry vehicle, the investor advisor, any of the 405
investment advisor's parent or subsidiary entities, or any 406
similar entity related to any other alternative investment 407
vehicle, account, or fund advised or managed by any current or 408
former related person. 409

(B) (1) The board shall require each alternative investment 410
vehicle through which it invests to disclose to the board, at 411
least annually, all of the following information: 412

(a) The fees and expenses the school employees retirement 413
system pays directly to the alternative investment vehicle, fund 414
manager, and any related parties; 415

(b) The retirement system's share of fees and expenses not 416

included in division (B) (1) (a) of this section that are paid 417
from the alternative investment vehicle to the fund manager and 418
any related parties; 419

(c) The retirement system's share of carried interest 420
distributed to the fund manager or related parties; 421

(d) The retirement system's share of aggregate fees and 422
expenses paid by all of the portfolio companies held within the 423
alternative investment vehicle to the fund manager or related 424
parties; 425

(e) The alternative investment vehicle's gross and net 426
rate of return since its inception; 427

(f) The investment multiple of each alternative investment 428
vehicle since inception. 429

(2) The board may independently calculate the information 430
described in division (B) (1) (b) of this section based on 431
information the alternative investment vehicle is contractually 432
required to provide to the board. If the board independently 433
calculates that information, the alternative investment vehicle 434
is not required to provide it to the board. 435

(C) (1) Not later than one year after the effective date of 436
this section, and at least once each year thereafter, the board 437
shall compile and include in a written report all of the 438
following information and present the information at a meeting 439
open to the public: 440

(a) The information disclosed to the board under division 441
(B) (1) of this section; 442

(b) The information calculated under division (B) (2) of 443
this section, if applicable; 444

(c) The information required by division (C) (2) of this section. 445
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(2) The board shall include in the report required by division (C) (1) of this section all the following information regarding all of the alternative investment vehicles through which the board invests: 447
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(a) The name, address, and year in which the initial investment capital was delivered to each alternative investment vehicle; 451
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(b) The dollar amount of the commitment and cash contributions the board has made to each alternative investment vehicle since inception; 454
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(c) The dollar amount, on a fiscal year-end basis, of cash distributions the board receives from each alternative investment vehicle; 457
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(d) The dollar amount, on a fiscal year-end basis, of cash distributions the board receives, plus the remaining value of partnership assets attributable to the board's investment in each alternative investment vehicle; 460
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(e) The dollar amount of the total management fees and costs paid on an annual fiscal year-end basis by the board to each alternative investment vehicle; 464
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(f) The dollar amount of cash profit the board receives from each alternative investment vehicle on a fiscal year-end basis. 467
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(D) This section applies to all contracts the board enters into on or after the effective date of this section and any existing contract pursuant to which the board makes a new 470
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capital commitment on or after that date. The board shall make 473
reasonable efforts to obtain the information described in 474
division (B) of this section about alternative investments made 475
under contracts entered into on or before the effective date of 476
this section to which no new capital commitments are made and to 477
comply with the reporting requirements in division (C) of this 478
section with respect to those investments. 479

Sec. 5505.066. (A) As used in this section: 480

(1) "Alternative investment" means an investment in a 481
private equity fund, venture fund, hedge fund, real estate fund, 482
or absolute return fund. 483

(2) "Alternative investment vehicle" means a limited 484
partnership, limited liability company, or other legal structure 485
through which the state highway patrol retirement board invests 486
in an alternative investment. 487

(3) "Carried interest" means any share of profits from an 488
alternative investment vehicle that is distributed to a fund 489
manager or related parties, including allocations of alternative 490
investment vehicle profits received by a fund manager in 491
consideration of having waived fees the fund manager might 492
otherwise have been entitled to receive. 493

(4) "Fund manager" includes the general partner, managing 494
manager, adviser, or other person with primary investment 495
decision-making authority over an alternative investment 496
vehicle. "Fund manager" includes related parties of a fund 497
manager. 498

(5) "Operational person" means any operational partner, 499
senior advisor, or other consultant or employee whose primary 500
activity for a relevant entity is to provide operational support 501

to any portfolio company of any alternative investment vehicle, 502
account, or fund managed by a related person. 503

(6) "Related party" means: 504

(a) Any related person or operational person; 505

(b) Any entity more than ten per cent of the ownership of 506
which is held directly or indirectly, whether through other 507
entities or trusts, by a related person or operational person 508
regardless of whether the related person or operational person 509
participates in the carried interest received by the general 510
partner or special limited partner; 511

(c) Any consulting, legal, or other service provider 512
regularly engaged by portfolio companies of an alternative 513
investment vehicle, account, or fund that is managed by a 514
related person and provides advice or services to any related 515
person or relevant entity. 516

(7) "Related person" means any current or former employee, 517
manager, or partner of any entity that is involved in the 518
investment activities or accounting and valuation functions of a 519
relevant entity or any family member of the employee, manager, 520
or partner. 521

(8) "Relevant entity" means the general partner, any 522
separate carry vehicle, the investor advisor, any of the 523
investment advisor's parent or subsidiary entities, or any 524
similar entity related to any other alternative investment 525
vehicle, account, or fund advised or managed by any current or 526
former related person. 527

(B) (1) The board shall require each alternative investment 528
vehicle through which it invests to disclose to the board, at 529
least annually, all of the following information: 530

<u>(a) The fees and expenses the state highway patrol</u>	531
<u>retirement system pays directly to the alternative investment</u>	532
<u>vehicle, fund manager, and any related parties;</u>	533
<u>(b) The retirement system's share of fees and expenses not</u>	534
<u>included in division (B) (1) (a) of this section that are paid</u>	535
<u>from the alternative investment vehicle to the fund manager and</u>	536
<u>any related parties;</u>	537
<u>(c) The retirement system's share of carried interest</u>	538
<u>distributed to the fund manager or related parties;</u>	539
<u>(d) The retirement system's share of aggregate fees and</u>	540
<u>expenses paid by all of the portfolio companies held within the</u>	541
<u>alternative investment vehicle to the fund manager or related</u>	542
<u>parties;</u>	543
<u>(e) The alternative investment vehicle's gross and net</u>	544
<u>rate of return since its inception;</u>	545
<u>(f) The investment multiple of each alternative investment</u>	546
<u>vehicle since inception.</u>	547
<u>(2) The board may independently calculate the information</u>	548
<u>described in division (B) (1) (b) of this section based on</u>	549
<u>information the alternative investment vehicle is contractually</u>	550
<u>required to provide to the board. If the board independently</u>	551
<u>calculates that information, the alternative investment vehicle</u>	552
<u>is not required to provide it to the board.</u>	553
<u>(C) (1) Not later than one year after the effective date of</u>	554
<u>this section, and at least once each year thereafter, the board</u>	555
<u>shall compile and include in a written report all of the</u>	556
<u>following information and present the information at a meeting</u>	557
<u>open to the public:</u>	558

<u>(a) The information disclosed to the board under division</u>	559
<u>(B) (1) of this section;</u>	560
<u>(b) The information calculated under division (B) (2) of</u>	561
<u>this section, if applicable;</u>	562
<u>(c) The information required by division (C) (2) of this</u>	563
<u>section.</u>	564
<u>(2) The board shall include in the report required by</u>	565
<u>division (C) (1) of this section all the following information</u>	566
<u>regarding all of the alternative investment vehicles through</u>	567
<u>which the board invests:</u>	568
<u>(a) The name, address, and year in which the initial</u>	569
<u>investment capital was delivered to each alternative investment</u>	570
<u>vehicle;</u>	571
<u>(b) The dollar amount of the commitment and cash</u>	572
<u>contributions the board has made to each alternative investment</u>	573
<u>vehicle since inception;</u>	574
<u>(c) The dollar amount, on a fiscal year-end basis, of cash</u>	575
<u>distributions the board receives from each alternative</u>	576
<u>investment vehicle;</u>	577
<u>(d) The dollar amount, on a fiscal year-end basis, of cash</u>	578
<u>distributions the board receives, plus the remaining value of</u>	579
<u>partnership assets attributable to the board's investment in</u>	580
<u>each alternative investment vehicle;</u>	581
<u>(e) The dollar amount of the total management fees and</u>	582
<u>costs paid on an annual fiscal year-end basis by the board to</u>	583
<u>each alternative investment vehicle;</u>	584
<u>(f) The dollar amount of cash profit the board receives</u>	585
<u>from each alternative investment vehicle on a fiscal year-end</u>	586

basis. 587

(D) This section applies to all contracts the board enters 588
into on or after the effective date of this section and any 589
existing contract pursuant to which the board makes a new 590
capital commitment on or after that date. The board shall make 591
reasonable efforts to obtain the information described in 592
division (B) of this section about alternative investments made 593
under contracts entered into on or before the effective date of 594
this section to which no new capital commitments are made and to 595
comply with the reporting requirements in division (C) of this 596
section with respect to those investments. 597