

some exceptions to these requirements for certain agencies, such as the California Housing Finance Agency and the California Health Benefits Exchange Board.

According to CalSTRS, the length and complexity of the typical state contracting process slows CalSTRS' ability to replace contracted investment managers who are underperforming and makes it more difficult for CalSTRS to compete for top talent and therefore maximize CalSTRS investment performance.

- 3) **Prior Legislation.** AB 2510 (Cooley), of the 2019-20 Legislation Session, was substantially similar to this bill. The bill was held in the Assembly Public Employment and Retirement Committee at the request of the author.

AB 1052 (Cooley), of the 2015-2016 Legislative Session, would have authorized CalSTRS to contract for specified investment-related services under the board's terms and conditions. The bill was held on the Assembly Inactive File.

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