136G.07 INVESTMENT OF ACCOUNTS.

Subdivision 1. **State board to invest.** The State Board of Investment shall invest the money deposited in accounts in the plan. Except as permitted by the Internal Revenue Code, neither persons making contributions to an account nor beneficiaries may direct the investment of contributions to the plan or plan earnings.

Subd. 2. **Permitted investments.** The board may invest the accounts in any permitted investment under section 11A.24, except that the accounts may be invested without limit in investment options from open-ended investment companies registered under the federal Investment Company Act of 1940, United States Code, title 15, sections 80a-1 to 80a-64.

Subd. 3. **Contracting authority.** The board may contract with one or more third parties for investment management, record keeping, or other services in connection with investing the accounts. The board and office may jointly contract with third-party providers, if the office and board determine that it is desirable to contract with the same entity or entities for administration and investment management.

Subd. 4. **Fees.** The board may impose annual fees, as provided in section 136G.05, subdivision 3, on participants in the plan to recover the cost of investment management and related tasks for the plan. The board must use its best efforts to keep these fees as low as possible, consistent with high quality investment management, so that the returns on savings invested in the plan will be as high as possible.

History: *1997 c 183 art 2 s 15; 1999 c 214 art 2 s 9; 1Sp2001 c 1 art 3 s 10,11,23; 2002 c 220 art 5 s 9*