

# Iran Divestment: SB 131

Investing Responsibly

# Iran is a Threat to Our Security

- Our investments today are financing our enemies
  - State Sponsor of Terror
  - Under International Sanctions
  - Nuclear Weapons Program
  - Human Rights Violations
- Strong bi-partisan support for this issue

# Some Foreign Companies still Invest in Iran

- Iran produces around 3.6 million barrels of oil per day
- Iran uses their oil profits to advance the regime's agenda
  - “Iran's greatest economic resource is its oil exports. Sales of crude oil line the regime's pockets, sustain its human rights abuses, and feed its nuclear ambitions like no other sector of the Iranian economy.” – Timothy Geithner, US Treasury Secretary December 1<sup>st</sup>, 2011
- We should not invest in foreign companies that profit from doing business with our enemies
- Without outside help, the regime will have fewer resources
- Divestment weakens the Iranian regime's agenda
  - Slows down Iran's nuclear program
  - Weakens Iran's ability to export terror
  - Puts pressure on the regime for political change

# How SB 131 Works

- The Department of Revenue would compile a list of companies who have invested an aggregate of \$20 million or more in Iranian oil and gas development
- Companies who are found to have invested this amount in Iranian oil and gas development have 90 days to either cure or explain the investment
- If a company fails to do so, the Department of Revenue will ask the State's fund managers to liquidate assets of that company within 90 days
- Compiled lists for other States already exist

# Why are States Divesting Now?

- Iran continues to threaten our national security
- Divestment policies do not negatively impact States
- Congress passed a bill in 2010 to encourage States to divest from Iran
  - Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA)
  - This legislation provides greater cover for state and local governments to divest from Iran
- **Federal legislation alone cannot solve the problem**

# Many States have Already Divested

- Arizona, California, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, Pennsylvania, and South Dakota have laws on the books
- Colorado, Mississippi, Ohio, Texas, and Washington have Iranian Divestment policies in place

# Common Misconceptions about SB 131

- Will SB 131 affect any North Slope Operators?
  - No North Slope operator should be considered for divestment
- Will SB 131 hurt investment on the North Slope?
  - There will be no changes to Alaska's oil and gas incentives on the North Slope for any company
- Which companies could SB 131 affect?
  - Only foreign companies
    - China, Russia, India, Malaysia, Thailand, etc.
- Will SB 131 lead to a lot of changes in our account management?
  - Assets are valued at approximately one tenth of one percent of the state's holdings

Support American  
Foreign Policy;  
Support SB 131