



NATIONAL CONFERENCE OF STATE LEGISLATURES

The Forum for America's Ideas

State Divestment Legislation

(as of April 9, 2008)

Growing concern over genocide in Sudan and countries that sponsor terrorism has prompted state legislatures to consider actions to limit or eliminate state investments in firms doing business with such countries. Legislation includes total divestment of the states interests in firms doing business in targeted divestment focused on specific firms and shareholder engagement strategies. The following charts summarize enacted legislation from 2005 and 2006 and bills introduced in the 2007 and 2008 legislative sessions. Additional references to enacted laws and pending legislation are appreciated and should be forwarded to Diana Hinton Noel (diana.hinton@ncsl.org) or Robert Strange (robert.strange@ncsl.org).

ENACTED LAW

STATE	BILL	LAST ACTION	BRIEF SUMMARY
ARIZONA	HB 2705	3/10/08	Requires the Arizona State Retirement System (ASRS), the Public Safety Personnel Retirement System (PSPRS), Correction Officers Retirement Plan (CORP), the Elected Officials Retirement Plan (EORP) and the State Treasurer to divest publicly traded securities from companies doing business with Sudan; prohibits state government contracts with such companies.
CALIFORNIA	ACR 11 Resolution Chapter No. 98	8/30/05	Encourages the Public Employees' Retirement System and the California State Teachers Association to make certain that no public employee retirement funds are invested in companies doing business in Sudan.
	★ AB 221 Chapered by the Secretary of State; Chapter No. 671	10/14/07	Prohibits the Public Employees' Retirement System and the State Teachers' Retirement System from investing in companies doing business with Iran.
	AB 2179 Chapered by the Secretary of State; Chapter No. 441	9/25/06	This law assures certain current and former employees of the University of California for all claims, demands, suits, actions, damages, judgments, costs, charges, and expenses, including court costs and attorney's fees, and all liability, losses, and damages of any nature whatsoever that these persons may at anytime sustain by reason of any decision of the regents not to invest in firms involved in business with Sudan.
	AB 2941 Chapered by the Secretary of State; Chapter No. 442	9/25/06	This law prohibits the Public Employees' Retirement System and the State Teachers' Retirement System from investing in a company with active business operations in Sudan, and for both systems' Board of Administration to sell or transfer investments in such companies. Requires the boards to report to the Legislature any such investments and the

sale or transfer of the same, by January 1, 2008 and every year afterwards.
 Expresses the sense of the legislature regarding Sudan, and requests that the President and Congress of the United States continue to take all prudent and necessary steps to ensure that these matters are addressed at the highest levels of the federal government.

AJR 6
 Resolution Chapter No. 57

6/27/05

COLORADO

HB 1184
 Chapter No. 149

4/19/07

Provides provisions against companies financially involved with Sudan to the board of directors of certain state instrumentalities, state political subdivisions and other public entities with authority to invest money and state contributions.

CONNECTICUT

HB 5632
 Public Act No. 51

5/08/06

Enables the State Treasurer to divest state funds invested in companies doing business in Sudan, or decide against further or future investments; extends the deadline for a final audited report to the Governor from October 15 to December 31.

 **FLORIDA**

SB 2142
 Chapter No. 2007-88

6/08/07

Protecting Florida's Investment Act; Requires the State Board of Administration (SBA) to identify companies, with public money invested, doing business with Sudan and Iran and maintain a "scrutinized companies list" with names of such companies, as well as encourage these companies to refrain from doing business with Sudan and Iran. Requires the SBA to divest itself of publicly traded securities and refrain from acquiring securities of such companies.

SM 1698

5/18/07

Relates to the people of Darfur; urges Congress, with the support of the President, to engage international community to take action in effort to bring just and lasting peace to people of Darfur.

Filed with Secretary of State

HAWAII

HB 34
 Act No. 192

6/18/07

Prohibits the Employees' Retirement System from acquiring securities of companies that have active business operations with Sudan. Effective July 1, 2007.

ILLINOIS

SB 23
 Public Act No. 94-79

6/07/05

Prohibits the State Treasurer from depositing any funds or transacting any business with any financial institutions doing business with Sudan, unless an expressly authorized officer of the institution certifies that the company has not loaned to or invested in certain entities involved with the Republic of Sudan. Provides that a fiduciary under that code shall not transact any business with a company that engages in activities with Sudan.

Provides that a fiduciary under that code shall not transact any business with a company that engages in activities with Sudan. The Federal District Court for the Northern District of Illinois ruled Public Act No. 94-79 unconstitutional.

SB 1169

8/28/07

Act to Disassociate from Genocide and Terrorism in Sudan; Amends the Pension Code concerning prohibited investments; Requires state funded retirement systems to divest of investments in companies doing business in Sudan.

9/11/07

Relates to investments in or with Iran's petroleum-energy sector; Amends the Procurement Code; Requires that each bid, offers or proposals for state contracts include a disclosure of whether or not the bidder had any petroleum or mineral extraction business activity with Iran in the last 24 months; Requires the retirement system to identify companies with such business in Iran and maintain a scrutinized companies list; Effective date: January 1, 2008.

INDIANA

5/03/07

HB 1067
 Public Act No. 149

Relates to members of the teachers' retirement fund (TRF) who is receiving a benefit from TRF and who is a party in an action for dissolution of marriage; Requires the public employees' retirement fund (PERF) and TRF, in the capacity of shareholders, to request that companies with certain business activities in Sudan cease those business activities, for a company that is unresponsive to a request, sell or divest all publicly traded securities held by PERF or TRF in that company; Requires that PERF and TRF report their Sudan-related activities to the general assembly; Excludes private equity funds held by PERF and TRF from the divestment requirement; Provides for civil immunity for any act or omission, and indemnification for costs or expenses, including reasonable attorney fees, associated with a claim or lawsuit; related to divestment. Assigns to the pension management oversight commission the study of TRF's structure.

IOWA

9/10/07

SB 361
 Chapter No. 2007-39

Prohibits investment of certain public funds in companies doing business in Sudan by the Treasurer of State, the Iowa Public Employees Retirement System and the State Board of Regents.

KANSAS

5/11/07

HB 2457

Prohibits investment of Kansas Public Employee Retirement System (KPERs) funds in companies with certain business operations in Sudan, and establishes standards and procedures for targeted divestment from holdings in prohibited companies except for passively-managed commingled funds when the estimated cost of divestment exceeds a threshold test.

MAINE

5/05/06

SB 675
 Public Law No. 537

Requires the Maine Retirement System to divest itself of holdings in companies doing business with Sudan.

MARYLAND

4/10/07

HB 1336
 Chapter No. 40

2007 Darfur Protection Act - Divestiture from the Republic of Sudan; Requires the Board of Trustees of the State Retirement and Pension System to review specified investment holdings, and encourage companies to take specified actions, take divestment action with regard to specified investments and take certain issues into account prior to taking specified actions.

SB 543
 Chapter No. 39

4/10/07

2007 Darfur Protection Act - Divestiture from the Republic of Sudan; Requires the Board of Trustees for the State Retirement and Pension System to review specified investment holdings, encourage companies doing business with Sudan to take specific actions, provide written notice to those companies.

MASSACHUSETTS

11/02/07

SB 2383
 Chapter No. 151-2007

Requires the Pension Reserves Investment Trust or the Pensions Reserves Investment Management Board to identify companies doing business with Sudan and the nature of the business activity; provides for divestment of holdings in those companies.

MINNESOTA SB 1075 5/23/07 Requires the State Board of Investment to divest from certain investments relating to Sudan; Provides that the Board make its best efforts to identify scrutinized that the Board has direct or indirect holdings or possible future holdings; Effective date: 8/01/07.

NEW JERSEY AB 3482/SB 2145 7/28/05 Requires the Division of Investment in the Department of the Treasury to divest State-administered pension fund investments from foreign companies that have ties to, or activities in, Sudan or its instrumentalities. The bill authorizes the State Treasurer to select an independent research firm that specializes in global security risk for portfolio determinations to make recommendations to the Division of Investment.

★ AB 3043/SB 2615 1/04/08 Prohibits investment of state pension funds or annuities in foreign companies doing business with Iran.

NORTH CAROLINA HB 291 8/30/07 Sudan (Darfur) Divestment Act; Requires the public fund to identify companies that are doing business in Sudan and maintain a list of scrutinized firms; engage such companies and divest from those that after 90 days continue business operations in Sudan.

RHODE ISLAND HB 5142 6/22/07 Limits state investment in Sudan and in companies that do business with the government of the Sudan. Establishes criteria for determining a "scrutinized company" which has ties to the Sudanese government and/or the Darfur genocide.

Public Law No. 2007-93 similar law:

SB 87

Public Law No. 2007-79

TEXAS HB 247 7/24/07 Prohibits the investment of state funds in certain private business entities doing business in Sudan; Effective January 1, 2008.

Chapter No. 1375

HB 2754 7/24/07 Relates to the regulation of state banks and state trust companies; provides for Confidentiality of information; relates to charter fees, applications and deposits; relates to the banking commissioner; relates to issuance of common stock or other securities; relates to sale of assets and disposition of a branch office; relates to mergers and conversions.

Chapter No. 735

2008 LEGISLATIVE SESSION

STATE	BILL	LAST ACTION	BRIEF SUMMARY
ALASKA	HB 287	1/15/08	Directs the Alaska Retirement Management Board to identify companies that do business in Sudan and restricting those investments.
	Similar bill: SB 227	4/01/08	

★ **ARIZONA** HB 2151 4/01/08 Requires the Arizona State Retirement System, the Public Safety Personnel Retirement

System, Correction Officers Retirement Plan, the Elected Officials Retirement Plan and the State Treasurer to divest publicly traded securities in scrutinized companies doing business with Iran.

SB 1366* 3/05/08 Requires ASRS, PSPRS, CORP, EORP and the State Treasurer to divest from companies doing business with Sudan.
*substituted by HB 2705
SB 1411 2/07/08 Relates to public investments in Iran; Calls on public sector investors to divest in companies doing business with Iran as identified by an independent third-party research firm.
ACR 79 3/25/08 Calls upon the University of California to divest from foreign companies with business activities in the Islamic Republic of Iran.

CALIFORNIA

DELAWARE

HJR 9 1/09/08 Condemns the genocide in the Darfur region of Sudan; Directs the Delaware Public Employees Retirement System to divest from foreign companies doing business with the government of Sudan.

FLORIDA

SB 1624 3/04/08 Prohibits transactions with companies listed on the "Scrutinized Companies with Activities in Sudan List" or "Scrutinized Companies with Activities in Iran Petroleum Energy Sector List" as determined by the State Board of Administration.

GEORGIA

HB 1101 2/07/08 Amends the "Public Retirement Systems Investment Authority Law" to provide for identification of companies that do business with Sudan and divestiture of investments in those companies.

★SB 451

4/04/08 Amends the "Public Retirement Systems Investment Authority Law" to require boards that - passed House; Senate administer public retirement funds to identify companies that do business with Iran, create agreed to House amendments and maintain a scrutinized company list, contact companies on the list, inform them of their scrutinized status and ask for clarification of business activities; provides for divestment of scrutinized companies.

SR 677

1/14/08 Urges the board of trustees of the state's retirement systems not to invest in companies included in the terrorism sanctions issues by the Office of the Foreign Assets Control of the U.S. Department of Treasury, including, but not limited to the companies doing business with Sudan, Iran, Syria and Korea; Encourages divestment of such investments.

HAWAII

HB 2621 1/23/08 Requires the Hawaii Employees' Retirement System to divest itself from countries that support terrorist activities in Iran, Syria, North Korea and Sudan as determined by an independent third-party research firm that specializes in global security risk.

SB 2193

1/22/08 Prohibits the state and the Hawaii Employees' Retirement System from investing in companies doing business in Iran, North Korea, Syria and Sudan.

INDIANA

HR 108 3/13/08 Urges the legislative counsel to study divesting the state public pension funds from terror-

		sponsoring nations.		
IOWA	HB 2075	2/06/08	Prohibits state funds and funds administered by the state, including public employee retirement funds, from investing in companies that do business with Iran or Syria.	
KANSAS	HB 2497	2/01/08	Requires the Kansas Public Employee Retirement System to divest in companies doing business with Iran.	
KENTUCKY	HB 703	3/14/08	Encourages the Kentucky Judicial Form Retirement System and the State Investment Commission to curtail investments in companies identified as having a significant presence in Sudan.	
	SCR 173	3/06/08	Urges the President and Congress to provide financial, logistical and technical support to the hybrid United Nations and African Union Mission in Darfur.	
LOUISIANA	HB 577	3/31/08	Requires government entities to divest themselves from companies doing business with Sudan.	
MAINE	SB 745 (LD 1934)	4/04/08	Requires the State Treasurer and board of trustees of the Maine Public Employees Retirement System to divest from companies doing business with Iran.	
MARYLAND	HB 371	4/07/08	Requires the Board of Trustees for the State Retirement and Pension System to review certain investments and divest in companies doing business with Iran.	★
	identical bill: SB 214	4/07/08		
MASSACHUSETTS	HB 2556*	3/27/08	Requires the Treasurer of the State to divest, over a period of 12 months, any current investments in companies that do business with Sudan.	
	*Accompanied study order, see HB 4607			
	HB 3533*	3/27/08	Prohibits investment of any public pension or annuity funds in companies doing business with Sudan. Excludes companies which, either directly or indirectly, provide services dedicated to social development.	
	*Accompanied study order, see HB 4607			
	HB 4270	3/13/08	Prohibits investment of any public pension funds in certain companies doing business with Iran and South Africa.	
MICHIGAN	HB 4854	1/17/08	Amends the Public Employee Retirement System Investment Act; Requires retirement systems to divest state funds in companies doing business with Sudan.	
	SB 846	1/17/08	Creates the "Divestment from Terror Act;" Prohibits investment of certain state funds or assets in companies with certain business operations in countries designated as state sponsors of terror by the U.S. Department of State; requires divestment in any current holdings in such companies.	★
	SB 847	1/17/08	Amends the Public Employee Retirement System Investment Act to require the retirement system to comply with the proposed Divestment from Terror Act (SB 846).	

SB 848	1/17/08	Requires the State Treasurer to comply with SB 846 and provides for divestment requirements of veterans trust fund
SB 849	1/17/08	Requires the State Treasurer to comply with SB 846; provides for certain investments in the natural resources and environmental protection act to comply with certain requirements of SB 846.
SB 851	1/17/08	Requires the State Strategic Fund Board to comply with SB 846.
SB 852	1/17/08	Requires the State Treasurer to comply with SB 846 for divestment requirements from the 21st Century Jobs Trust Fund.
SB 853	1/17/08	Requires the State Treasurer to comply with SB 846 for divestment requirements from the State Children's Trust Fund.
SB 854	1/17/08	Requires the State Treasurer to comply with SB 846 for divestment requirements from surplus funds.
SB 855	1/17/08	Requires the State Treasurer to comply with SB 846 for divestment requirements from the state lottery fund.
MISSOURI		
SCR 33		Urges the President, Congress and U.S. Department of State to support the peace process in Sudan.
NEBRASKA		
LB 992	1/29/08	Instructs the Nebraska Investment Council to divest from companies doing business with Sudan.
NEW HAMPSHIRE		
HB 1516	4/02/08	Requires the Retirement System Board of Trustees and the Judicial Plan Retirement Board to divest assets from companies with active business operations in Sudan.
NEW MEXICO		
HM 66	2/08/08	Urges the State Investment Council to write the General Electric company's board of directors to demand that they immediately stop doing business with Iran.
NEW YORK		
AB 268	1/09/08	Prohibits the investment of public employee retirement funds in companies doing business with Sudan and requires divestiture of currently invested funds.
AB 4869	1/09/08	Prohibits investment of state public employee retirement funds in companies doing business with Sudan; requires divestment in such companies within 60 days of the effective date.
AB 5659	1/09/08	Requires the State Comptroller and Commissioner of Taxation and Finance to divest state employee benefit funds from companies that do business in Sudan.
AB 7814	3/18/08	Authorizes the Comptroller to divest in companies doing business with Sudan.
(identical bill: SB 5287)	2/11/08	
AB 9020	1/09/08	Creates the Iranian Economic Divestment Act of 2007; Authorizes the Comptroller to refrain from investing state retirement system funds in companies doing business with Iran
(identical bill: SB 5913)	1/09/08	

			or divest in companies doing business with Iran.
AB 9333	1/09/08		Amends the retirement and social security law; prohibits investment of public pension funds in companies doing business with Iran; requires the Comptroller to divest funds invested in those companies within three years of enactment.
SB 2924	1/09/08		Prohibits the investment of certain public funds in companies doing business with Sudan; requires divestment in such companies within three years.
OKLAHOMA			
HB 3058 (similar bill: SB 2146)	2/05/08 2/12/08		Creates the "Targeted Sudan Divestment Act;" requires public funds to identify companies that are doing business with Sudan, as well as maintain the list of scrutinized companies; specifies procedures for the list.
PENNSYLVANIA			
SB 1279	2/14/08		Allows the State Employees' Retirement System and the Public School Employees' Retirement System to divest in companies doing business with Iran's petroleum-energy sector.
TENNESSEE			
HB 2427 (similar bill: SB 3463)	1/30/08 1/23/08		Creates the Sudanese Divestment Act of 2008; Requires the Tennessee Consolidated Retirement System identify and divest public investments in companies actively doing business with Sudan; requires that companies be notified and offered an opportunity to cease activity prior to divestment.
HB 2438 (similar bill: SB 2838)	1/30/08 1/17/08		Creates the No Investment in Iran Act of 2008; Requires the Tennessee Consolidated Retirement System to identify and divest public investments in companies actively doing business with Iran; requires that companies be notified and offered an opportunity to cease activity prior to divestment.
HB 2951 (similar bill: SB 3161)	1/23/08 1/23/08		Creates the No Investment in Sudan Act of 2008; requires the Tennessee Consolidated Retirement System to identify and divest public investments in companies doing business with Sudan.
HB 3362 (similar bill: SB 3277)	1/24/08 1/23/08		Requires the State Treasurer to develop policy for divestiture of Tennessee Consolidated Retirement System holdings in companies doing substantial business in countries determined to be state-sponsors of terrorism; requires the treasurer to implement the policy when the appropriate federal agency has certified a list of companies that have current operations in these nations.
HB 4046 (similar bill: SB 3737)	4/02/08 1/23/08		Requires the board of trustees of the Tennessee Consolidated Retirement System to divest in companies doing business with countries practicing apartheid or genocide against their citizens; prohibits future investment in these companies; requires the state treasurer to identify these countries and maintain a list of companies currently doing business with them; prohibits the state from entering into or renewing a contract with companies identified as doing business with such countries.
HJR 704	1/08/08		Urges the State Treasurer and board of trustees of the Tennessee Consolidated Retirement System to identify investments and divest any investments in companies doing business with

Sudan; refrain from such investments until the genocide in Darfur has ended.

UTAH

★ HB 39

3/05/08	Amends the Utah State Retirement and Insurance Benefit Act; requires the Utah State Retirement Board to ensure that Utah State Retirement Fund monies are not invested in companies doing business in Iran; requires the board to identify the companies and providing notice of potential withdrawal of investment; allows the board to divest in such companies
3/05/08	Modifies the Utah State Retirement and Insurance Benefit Act; requires the Utah State Retirement Board to ensure that Utah State Retirement Fund monies are not invested in companies doing business with Sudan; requires the board to identify the scrutinized companies and provide a notice of potential investment withdraws and divest from the companies.

VIRGINIA

2/12/08	HB 556	Requires the Virginia Retirement System to divest itself of investments in companies doing business with Sudan.
2/12/08	HB 930	Requires the Virginia Retirement System to divest any investments in companies doing business with countries identified as state sponsors of terror; requires the retirement system to identify and maintain a list of scrutinized companies that fit certain criteria.
2/12/08	HB 1460	Requires the Virginia Retirement System to divest holdings in companies doing business in countries identified as state sponsors of terror, specifically Sudan, Iran, North Korea and Syria.
3/03/08	SB 87	Requires the Virginia Retirement System to divest holdings in companies meeting certain criteria gauged to be related to the genocide in the Darfur region of Sudan.

WASHINGTON

1/14/08	HB 2603	Requires the state investment board not to invest public employee retirement funds in companies doing business in Iran.
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WEST VIRGINIA

1/21/08	HB 4096	Creates a Sudan Divestment Procedure; provides a method for state public funds to divest holdings in companies doing business with Sudan.
1/17/08	SB 247	Urges the governing board of the West Virginia Investment Management Board to divest holdings in companies doing business with countries sponsoring or promoting terrorist activities.
1/17/08	HCR 11	Directs the West Virginia Investment Management Board to divest any current holdings and prohibit future holdings in companies doing business with Iran; prohibits West Virginia companies from doing business in Iran.

WISCONSIN

3/21/08	HB 124 similar bill: SB 57	Prohibits the State of Wisconsin Investment Board from investing in companies identified as doing business with Sudan; requires divestment of any current holdings in such companies
3/13/08	SR 28	Urges the State of Wisconsin Investment Board to contact companies involved in certain

business operations in Sudan and ask them to cease such business; urges the board to exclude the companies that continue to operate business in Sudan from its portfolio.

2007 LEGISLATIVE SESSION

STATE	BILL	LAST ACTION	BRIEF SUMMARY
ALABAMA	HR 711	5/31/07	Urges Congress to address the crisis in Sudan.
ALASKA	HB 287	1/15/08	Relates to certain investments of the Alaska permanent fund, the state's retirement systems, the State of Alaska Supplemental Annuity Plan, and the deferred compensation program for state employees in companies that do business in Sudan, and restricting those investments.
	SB 227	1/16/08	Relates to certain investments of the State permanent fund, the state's retirement systems, the State Supplemental Annuity Plan, and the Governor Encourages deferred compensation program for state employees in companies that do business in Sudan, and restricting those investments.
ARKANSAS	SCR 20	3/29/07 *Approved by Governor	Encourages the state retirement systems to identify their investments in companies doing business in Sudan, divest in those companies and prevent future investments in those companies until the genocide in the State Urges Darfur region has ended.
CALIFORNIA	AB 221	7/18/07	Prohibits the Public Employees' Retirement System and the State Teachers' Retirement System from investing in companies doing business with Iran.
	AB 1089	7/10/07	Requires the Department of General Services to identify companies that have substantial business operations in Sudan and present the list to the Legislature; prohibits state agencies from contracting with the identified companies for contracts exceeding \$100,000.
COLORADO	HJR 1020	4/20/07	Condemns the genocide in Darfur and urges the President and Congress to continue to work with the international community to halt the human rights violations, to impose economic sanctions, and to bring humanitarian assistance and lasting peace to Darfur.
DELAWARE	HJR 9	6/28/07	Condemns the genocide in Sudan, urges continued work with the international community to end human rights violations in the region, and encourages the Delaware Public Employees Retirement System to divest in foreign companies doing business with the Sudanese government.
	SB 9	7/11/07	Requires that the Board of Pension Trustees divest state-administered pension fund investments from companies, banks and financial institutions that have ties to, or activities in Sudan or its instrumentalities.
FLORIDA	HB 703	5/02/07	Prohibits the State Board of Administration (SBA) from investing in certain companies with ties to or engaged in business with known state sponsors of terror, requires the SBA to review

investments and take certain sanctions to sell, redeem, divest, or withdraw any prohibited investments.

HB 931 5/02/07 Urges Congress, with the support of the President of the United States, to engage the international community to take action in the effort to bring just and lasting peace to the people of Darfur.

identical bill: SM 1698*
5/18/07
*signed by
Officers and
filed with
Secretary of State

HB 1431 4/22/07 Requires the State Board of Administration (SBA) to identify companies, with public money invested, doing business with Sudan and maintain a "scrutinized companies list" with names of such companies, as well as encourage these companies to refrain from doing business with Sudan. Requires the SBA to divest itself of publicly traded securities and refrain from acquiring securities of such companies.

SB 1940 5/04/07 Reales to the Darfur region; condemns Government of Republic of Sudan for its participation and complicity in attacks against innocent civilians in impoverished Darfur region of western Sudan.

SB 2250 5/04/07 Relates to Iran economic sanctions; prohibits investment of assets of any pension or annuity fund under jurisdiction of the State Board of Administration in any company providing humanitarian.

GEORGIA HB 160 1/26/07 Prohibits the Office of Treasury and Fiscal Services from depositing certain funds in certain financial institutions, unless the institution has certified that it does not have any direct loans or knowledge of any indirect loans to certain entities connected with Sudan; Provides that a state agency may not procure certain supplies that are produced or manufactured in the Republic of Sudan.

HB 256 2/02/07 Provides that no public retirement system shall invest funds in public obligations of companies doing business with Sudan and for any public retirement system with such investments to divest itself by July 1, 2008.

HR 273 3/27/07 Urges Congress to continue to press for strong measures to end the violence in Sudan and urges the Securities and Exchange Commission to provide guidance to public pension fund managers in order to avoid investments which may be supporting nations involved in the support of terrorism or human rights violations; and or other purposes.

SB 199 2/21/07 Relates to large retirement systems; provides that no public retirement system shall invest funds in certain corporations or obligations of corporations doing business with or in the Islamic Republic of Iran, Republic of Sudan, Syrian Arab Republic, and Democratic People's Republic of Korea or certain other states; provides for divestiture of such investments.

HAWAII

HB 1117	8/27/07	Requires the Employees' Retirement System to divest itself of investments in companies that provide significant support for genocide in Sudan; allows reinvestment; provides exemptions; requires reporting; authorizes enforcement by the Attorney General; sunsets when the Darfur genocide ends or divestment interferes with U.S. foreign policy.
similar bill: SB 1255	8/27/07	
HR 22	5/14/07	Recommends that the European Union, United Nations, North Atlantic Treaty Organization, Government of Sudan, Janjaweed Militia, Sudanese Libertarian Army and Justice Fequality movement pass policies and enter into treaties, respectively, to end the conflict in Darfur.
similar bill: HCR 36	3/13/07	
SCR 191	3/23/07	Urges the Employees' Retirement System to refrain or divest from participation in ownership or capital-providing capacity with companies that provide significant practical support for genocide, including certain non-U.S. companies currently doing business in Sudan.
HB 34	6/18/07	Prohibits the Employees' Retirement System from acquiring securities of that have active business operations with Sudan; relates to Darfur divestment; provides that, the public fund shall make its best efforts to identify all scrutinized companies in which the public fund has direct holdings.
SB 1255	1/26/07	Requires the Employees Retirement System to divest itself of investments in companies that provide significant support for genocide in Sudan; allows reinvestment; provides exemptions; requires reporting; authorizes enforcement by Attorney General; sunsets when the Darfur genocide ends or divestments interferes with U.S. foreign policy.
SB 1662	3/09/07	Amends definitions of "closing", "covered establishment", and "employer"; requires employer to notify employees of divestiture; imposes penalties for failure to notify employees of business closing; relates to employment.

ILLINOIS

SB 99	1/31/07	Repeals a provision that prohibits a fiduciary of a retirement system or pension fund from transacting business with certain entities associated with the Republic of Sudan.
SR 199	12/03/07	Urges the public retirement system and pension funds to ensure that no public funds are invested in companies doing business with Iran; exception for companies engaged in humanitarian activities.

INDIANA

SB 380	1/11/07	Prohibits the investment of funds held by a public officer of the state, the public employees' retirement fund, or the teachers' retirement fund with an institution that: (1) has loans to; (2) is engaged in business with or in; or (3) has invested in another company engaged in business with or in; Sudan or its instrumentalities. Requires the sale within three years of any investments that violate the prohibition.
HB 1484	3/05/07	Requires the Public Employee's Retirement Fund and the Teachers' Retirement Fund to contact, in the capacity of shareholders, companies with certain business activities in Sudan, and request that the companies cease those business activities.
SB 380	1/11/07	Prohibits the investment of funds held by a public officer of the state, the public employees' retirement fund, or the teachers' retirement with an institution that: (1) has loans to; (2) is

engaged in business with or in (3) has invested in another company engaged in business with or in; Sudan or its instrumentalities; requires the sale within three years of any investments that violate the prohibition.

SCR 74 4/02/07 Concerns Sudan divestment for Public Employee's Retirement Fund and Teacher's Retirement Fund.

IOWA

HB 230 2/08/07 Prohibits investment of public funds in companies doing business in Sudan.
(formerly: SSB 1106)

HR 23 2/16/07

Urges immediate action to stop the campaign of racial extermination in Senate Requires Darfur.

HB 2468 3/15/07

Prohibits Kansas Public Employee Retirement System from investing in firms with business operations in Sudan and divest current holdings in such companies.

SB 335 3/16/07

Prohibits Kansas Public Employee Retirement System from investing in firms with business operations in Sudan and divest current holdings in such companies.

KENTUCKY

HB 25 2/20/07

Prohibits the Judicial Retirement Fund, the Teacher's Retirement System Board, the State Investment Commission, and the Kentucky Retirement Systems Board from investing in companies relating to the Sudan and require that they divest themselves of such investments.

HCR 16 3/01/07

Urges Congress to pressure Sudan to end violence in Darfur and the Security Exchange Commission to issue guidance to investors concerning pension plans and other investments to enable them to identify companies that may support terror.

MAINE

LD 1934 12/11/07

Requires the Treasurer and the Board of Trustees in the Maine Public Employees Retirement System to divest itself of funds from companies doing business with Iran.

MASSACHUSETTS

SB 1437 1/11/07

Provides for divestment of public pension funds from companies doing business with Sudan.

SB 2255 7/26/07
*passed Senate

Requires divestment of public pension funds from companies doing business with Sudan.

SB 2383 10/25/07

Provides for the State Treasurer to sell, redeem or divest or withdraw any state investments in companies doing business with any country identified by the U.S. Department of State as a state sponsor of terrorism.

MICHIGAN

HB 4969 6/26/07

Prohibits the state from entering into contracts with a vendor or supplier that does business with Sudan.

HR 59 7/29/07

Memorializes Congress and the U.S. State Department to increase efforts to halt the violence and provide humanitarian assistance in the Darfur region of Sudan.

MINNESOTA	HB 1332	5/03/07	Requires the State Board of Investments to divest in companies doing business with Sudan.
MISSOURI	HCR 32	4/12/07	Requires the public retirement systems of Missouri to divest all public funds invested in companies that have a direct financial relationship with terrorist-sponsoring states, as designated by the U.S. Department of State.
	HCR 40	5/18/07	Calls on the President of the United States and Congress to take immediate action regarding the genocide in Sudan; Urges Congress to increase humanitarian aid to the Darfur region.
NEW JERSEY	AB 169 / SB 1183	1/30/07	Requires the Department of Treasury, Division of Investment to divest state-administered pension funds investments from companies, banks and financial institutions doing business in countries that sponsor terrorism, as designated by the U.S. Department of State.
	AB 3043 / SB 2615	6/14/07	Prohibits investment of state public employee retirement funds in foreign companies doing business with Iran.
NORTH CAROLINA	SB 516	5/09/07	Sudan (Darfur) Divestment Act; Requires the State Treasurer to divest any public funds in companies doing business with Sudan.
OHIO	★ HB 151	6/13/07	Prohibits certain public investors from investing in companies with scrutinized business operations tied to Iran or Sudan; Requires public investors to divest in current holdings in such companies.
	SB 161	5/03/07	Prohibits companies doing business with the state from doing business with Sudan as long as genocide continues in the Darfur region.
OKLAHOMA	HB 1900	2/06/07	Prohibits companies conducting business with the state from also conducting business with the Darfur region of western Sudan, as long as the violence continues in that region.
	★ HR 1026	5/17/07	Encourages state retirement systems to divest current holdings in companies doing business with Iran, Sudan, Syria and Korea.
OREGON	HJR 53	4/13/07	Urges investors within the state to divest in foreign companies doing business with Iran.
PENNSYLVANIA	HB 729	6/04/07	Prohibits state depositories from making or maintaining financial loans or transactions with Sudan.
	HB 1085	6/30/07	Prohibits investment of state funds in companies doing business with countries identified by the federal government as state sponsors of terror.
	(similar bill: HB 1087)	6/30/07	

HB 1140	7/08/07	Prohibits the investment of state funds in certain private businesses doing business in Sudan.
HR 36	1/30/07	Creates a select committee to study potential courses of action for state departments, agencies and pension systems that make investments in, procure goods and services from or otherwise do business with companies conducting business in or with Sudan.
similar bills: SR 16	1/29/07	
SR 17	1/29/07	
SOUTH CAROLINA		
SB 241	1/09/2007	Requires the Retirement System Investment Commission to divest its portfolio of investments in companies that in their operations are complicit with the Government of Sudan in the Darfur genocide; prohibit future investments by the commission in such companies; provides definitions and procedures relating to the implementation of these requirements.
TEXAS		
HB 419	2/01/07	Relates to divestment by the Employees Retirement System of Texas and the Teacher Retirement System of Texas of certain investments related to the Republic of Sudan.
HB 667	2/06/07	Prohibits the investment of state funds in certain private business entities doing business in Sudan.
SB 1330	4/16/07	Prohibits the investment of state funds in companies doing business in Iran.
VIRGINIA		
HB 1828	2/06/07	Requires the Virginia Retirement System to divest itself of investments in companies meeting certain criteria gauged to be related to the violence in Sudan.
similar bill: HB 2869	2/06/07	
SJR 487	2/06/07	Request that the Virginia Retirement System to study the feasibility of restricting investments in companies doing business with Sudan.
WASHINGTON		
SJM 8017	2/16/07	Requests that the President use all means necessary to bring a peaceful solution to the conflict in Sudan's Darfur region.
WISCONSIN		
AB 124	3/21/07	Prohibits the Wisconsin State Investment Board from making future investments with companies doing business with Sudan; requires divestment of current investments in such companies.
SB 57	3/28/07	Prohibits the Wisconsin State Investment Board from making certain investments with companies doing business with Sudan.
WYOMING		
HB 245	2/13/07	Provides that state funds shall not be invested in companies doing business Sudan.

**Legislative Enactments Affecting Public Pensions
Compiled by the National Conference of State Legislatures**

Divestment

2009

Indiana. HB 1547 requires the Public Employee Retirement Fund (PERF) to contact companies with which PERF has investments if those companies have business operations in countries that sponsor terror. Requires PERF to request that those companies discontinue business operations in those countries and to divest from companies that are unresponsive to the requests.

Minnesota. Chapter 90, Laws of 2009 (HF 211) specifies conditions under which the State Board of Investment (SBI) must divest equity and debt holdings (and not make new investments) in companies subject to federal sanctions because of their active business operations in Iran. SBI invests pension funds in Minnesota.

Utah. Chapter 54, Laws of 2009 (HB 211) requires the Utah State Retirement Office to identify companies with business operations in Iran in which the public fund has direct holdings. In making the determination, the board shall review and rely on publicly available information regarding companies with business operations in Iran, including information provided by nonprofit organizations, research firms, international organizations, and government entities. Such companies are to be listed and reported to state officials annually.

2008

Arizona. Chapter 210, Laws of 2008 (SB 1489), requires the Treasurer, the Arizona State Retirement System and the Public Safety Retirement System to do the following:: divest from those companies that are reasonably known based on public information to be in violation of section 6(j) of the Export Administration Act; notify the Governor, the President of the Senate, the Speaker of the House of Representatives, the Director of the Arizona Department of Administration (ADOA) and each other of any divestments and the reasons for divesting; notify the company, within 14 days of notice from the Treasurer, ASRS and PSPRS that the state and its political subdivisions are prohibited from purchasing any of its products or services until it is no longer in violation of section 6(j) of the EAA. Specifies this prohibition applies only to any renewal of a contract rather than existing contracts; adopt and submit a policy to the President of the Senate and the Speaker of the House of Representatives for divestment from companies that have business activities in or with countries identified as being in violation of section 6(j) of the EAA.

Georgia. Act 761, Laws of 2008 (SB 451), requires that boards administering public retirement funds of the State of Georgia identify all companies in which public funds are invested that are doing certain types of investments in Iran and to create and maintain a “Scrutinized Companies with Activities in the Iran Petroleum Energy Section List” and to divest from such companies as long as they remain on the list.

Illinois. Public Act 95-521 of 2008 (SB 1169) amends the Pension Code concerning prohibited investments. Relates to the Republic of Sudan, private market funds, state funded retirement systems and eligible finance entities.

Kentucky. HR 273 (adopted) urges the Kentucky Retirement Systems, the Kentucky Teachers' Retirement System, the Kentucky Judicial Form Retirement System, and the State Investment Commission to curtail future investments in companies doing business in Sudan.

Maryland. Chapter 342, Laws of 2008 (Senate Bill 214), establishes conditions under which the State Retirement and Pension System must divest from companies doing business in either Iran or Sudan. The bill requires the Board of Trustees to notify any company whose shares are held in an actively traded separate account and that meets the definition of doing business in Iran or Sudan, that it is subject to divestment by the board. If, within 90 days after notice, a company does not provide evidence that it is no longer doing business in either country, or does not announce that it will release a plan within 60 days to cease doing business in those countries within a year, the board must divest its holdings in that company. However, the bill exempts companies that are not subject to the U.S. government's sanctions against Iran and Sudan and whose divestment cannot be executed for fair market value or greater. The bill requires the board to act in good faith and in a manner consistent with its fiduciary responsibilities in implementing the bill's provisions. In addition, the bill prohibits the application of the bill if the United States Congress or President makes specified declarations regarding Iran or Sudan. The bill takes effect January 1, 2009.

Tennessee. Chapter 934, Laws of 2008 (HB 3362) requires the state treasurer to develop policy for divestiture of Consolidated Retirement System ownership of investments in companies that have substantial current operations in nations determined to be state sponsors of terrorism when such operations are contrary to U.S. foreign policy interests.

2007

Arkansas. SCR 20 encourages state retirement systems to identify their investments in companies operating in Sudan; recommends that they divest investments in those companies; and recommends that they make no future investments in those companies until the genocide has ended.

Colorado. Chapter 149 (HB1184) The bill requires certain public fund managers to develop a list of "scrutinized" companies that have business operations in Sudan; notify those companies by mail; and sell, redeem, divest, or withdraw all publicly traded securities of any company that does not stop its active Sudan-related business operations within 90 days of receiving notification. The Attorney General is charged with enforcing the requirements of the bill. The requirements apply to the following public fund managers: the Colorado State Treasurer; the board of directors of the Public Employees Retirement Association; the State Deferred Compensation Committee; the Colorado County Officials and Employees Retirement Association; the board of directors of the Fire and Police Pension Association; the board of directors for the Regional Transportation District; and the board of trustees of the Denver Public School Retirement System.

In compiling the list, the bill allows public fund managers to review and rely on information provided by nonprofit organizations, research firms, international organizations, and government entities. The bill requires a post-enactment review 2 years after passage to ensure that all public funds sell, redeem, divest, or withdraw investments in scrutinized companies with active business operations in Sudan and maintain communication with scrutinized companies with inactive business operations in Sudan.

Florida. Chapter 88, Laws of 2007 (SB 2142) limits investments by prohibiting investments in companies doing business in or with Sudan, require identification within 90 days of passage of affected investments, notification to the companies of pending divestiture, and divestiture if the companies' business practices do not change in response to the notice by the SBA.

Hawaii. Act 192, Laws of 2007 (HB 34), prohibits the employee's retirement system from acquiring securities of companies that have active business operations in Sudan. Requires annual reports to the legislature.

Illinois. Public Act 95-0523 of 2007 (SB 1169) amends the Pension Code concerning prohibited investments. Relates to the Republic of Sudan, private market funds, state-funded retirement systems and eligible finance entities. Relates to divestiture; prohibits certain investments.

Indiana. Public Law 149 of 2007 (HB 1067) requires the public employees' retirement fund (PERF) and Teachers Retirement Fund (TRF), in the capacity of shareholders, to: (1) request that companies with certain business activities in Sudan cease those business activities; and (2) for a company that is unresponsive to a request, sell or divest all publicly traded securities held by PERF or TRF in that company. Requires that PERF and TRF report their Sudan-related activities to the general assembly. Excludes private equity funds held by PERF and TRF from the divestment requirement.

Iowa. Enrolled Senate File 361 (signed April 4; chapter number pending) provides that companies with specified kinds of activities in the Sudan are characterized as scrutinized companies and that state funds shall not invest additional funds in scrutinized companies, and shall divest their holdings over a period of 90 days after a company is listed as scrutinized and by 18 months after the listing occurs. The legislation provides various safeguards and provides for termination of its effect if the president declares that the Darfur genocide has been halted for at least 12 months, or if a court declares that federal law preempts this legislation or similar legislation in other states.

Kansas. HB 2457 prohibits the investment of KPERS funds in companies with certain business operations in Sudan, and establishes standards and procedures for targeted divestment from holdings in prohibited companies except for passively-managed commingled funds when the estimated cost of divestment exceeds a threshold test.

Louisiana. Act 352, Laws of 2007 (HB 864) Requires a public retirement system having investment ownership in companies having facilities or employees, or both, in a prohibited nation

to adopt a corporate governance policy in which the system engages such companies or the investment managers holding equities in such companies to remove their facilities or employees from prohibited nations; requires such retirement entities to join a terror-free index fund which identifies and excludes holdings in prohibited nations.

Maryland. Chapters 39 and 40 (HB 1336 and SB 543) authorize the State Retirement and Pensions System (SRPS) trustees to divest holdings in companies that do business in Sudan after engaging with them to act responsibly and refrain from any activities that sustain or enable abuses of human rights in Darfur.

Minnesota. Chapter 117, Laws of 2007 (SF 1075), requires the state board of investment to identify companies with direct or indirect holdings in Sudan, prescribes identification procedures, requires divestment of certain companies, prohibits certain acquisitions, provides exemption and exclusions, expiration and reinvestment.

Oklahoma. HR 1026 encourages the retirement systems managed by the State of Oklahoma to divest interests or assets of companies entering into transactions with, or entities working on behalf of, the governments of the Islamic Republic of Iran, the Republic of Sudan, the Syrian Arab Republic, and the Democratic People's Republic of Korea, when such companies are organized in a country other than the United States or Canada.

Rhode Island. Chapters 79 and 93, Laws of 2007, address divestment.

Texas. Chapter 1375, Laws of 2007 (SB. 247) requires ERS to engage with and possibly divest from certain companies doing business in Sudan. Only those companies that substantially benefit the central government, provide little benefit to Sudanese citizens, and who have failed to address their role in indirectly facilitating Sudan's genocidal capacity are covered in this bill. SB 247 Current law does not place any restriction on the ability of the Employees Retirement System of Texas (ERS) to invest in companies that are beneficial to the Sudanese government and are indirectly facilitating the genocide occurring in Sudan. ERS may be investing in these companies and this bill restricts ERS from doing business with certain companies associated with the Sudanese government.

This bill differs in very significant ways from Sudan divestment legislation passed in states like Illinois and New Jersey since the proposed Texas legislation targets only the small subset of companies operating in Sudan that have problematic behavior (so called "scrutinized companies" – less than 15 percent of multinational corporations operating in Sudan).

This bill mandates engagement with scrutinized companies before any divestment action is taken. The state pension funds will have very little administrative expense associated with this bill because all material for researching and engaging problematic companies is publicly available and free of charge to ERS. This bill protects ERS by excluding certain "hard to target" investments and providing an opt-out if a pension fund can objectively demonstrate that divestment has had a negative impact on its portfolio. Source: [Sponsor's Statement of Intent](#).