

ALASKA LEGISLATURE  
*House State Affairs Committee*

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## Explanation of Changes

### HB 396 DIVEST INVESTMENTS IN RUSSIAN ENTITIES

Version 32-LS1618\A to Version 32-LS1618\I

**Section 1 (page 1, sections a. and b.):** changes divestment timeline from 90 to 180 days on page 1, lines 11, 13, and 14 and on page 2, line 6.

**Section 1 (page 3, section g., lines 5-7):** adds “the commissioner or a fiduciary of a fund is not required to divest from an investment under this section if the commissioner or fiduciary determines that divestment is not consistent with the fiduciary responsibilities of the commissioner or the fiduciary.”

**Section 1 (page 3, section i., line 13):** adds “debt instrument issued by the government of Russia” to the definition of “Russian entity.”

**Section 1 (page 3, section i., lines 20-21):** adds that the definition of “Russian entity... does not include a company the United States federal government excludes from federal sanctions related to Russia,” so if a company is not included on OFAC’s list, or if it is removed, that company is no longer regarded as a “Russian entity” under this legislation.

**Section 2 (page 3, section a., lines 22-26):** specifies that the uncodified law shall establish guidelines for transition, stating that “within 30 days after the effective date of this Act, the commissioner of revenue shall create an initial list of Russian entities” as specified by this Act.

**Section 2 (page 3, line 27 - page 4, line 4, section b.):** establishes that section 1(g) of this Act notwithstanding, “the commissioner of revenue, a fiduciary of a fund subject to AS 37, or an outside investment manager shall, within 180 days after the effective date, divest ownership in the initial list of Russian entities created,” and specified that the commissioner of revenue or the fiduciary shall submit a letter consistent with section 1(b) to the manager of a commingled investment.