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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 802

Session of  
1983

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INTRODUCED BY RICHARDSON, IRVIS, WIGGINS, DEAL, CARN, PRESTON,  
WILLIAMS, D. R. WRIGHT, DeWEESE, WOZNIAK, LINTON, TRUMAN AND  
R. C. WRIGHT, APRIL 18, 1983

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REFERRED TO COMMITTEE ON FINANCE, APRIL 18, 1983

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AN ACT

1 Amending the act of February 17, 1906 (P.L.45, No.11), entitled  
2 "An act to regulate the deposits of State funds, to prescribe  
3 the method of selecting State depositories, to limit the  
4 amount of State deposits, to provide for the security of such  
5 deposits, to fix the rate of interest thereon, to provide for  
6 the publication of monthly statements of moneys in the  
7 general and sinking funds, to declare it a misdemeanor to  
8 give or take anything of value for obtaining the same, and  
9 prescribing penalties for violations of this act,"  
10 prohibiting State depositories from maintaining financial  
11 transactions with the Republic of South Africa.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. The act of February 17, 1906 (P.L.45, No.11),  
15 entitled "An act to regulate the deposits of State funds, to  
16 prescribe the method of selecting State depositories, to limit  
17 the amount of State deposits, to provide for the security of  
18 such deposits, to fix the rate of interest thereon, to provide  
19 for the publication of monthly statements of moneys in the  
20 general and sinking funds, to declare it a misdemeanor to give  
21 or take anything of value for obtaining the same, and  
22 prescribing penalties for violations of this act," is amended by

1 adding a section to read:

2     Section 3.1. (a) To be a depository of State funds, a  
3 financial institution shall not encourage or condone legally  
4 required discrimination against an individual on the basis of  
5 race or color, by knowingly making or maintaining a loan to the  
6 Republic of South Africa, a national corporation of the Republic  
7 of South Africa, or to a subsidiary or affiliate of a United  
8 States firm operating in the Republic of South Africa. A  
9 financial institution shall be considered to have complied with  
10 this subsection if the financial institution has filed with the  
11 State Treasurer an affidavit attesting to the fact that it has  
12 no later than six months from the effective date of this section  
13 no existing loans to the Republic of South Africa, a national  
14 corporation of the Republic of South Africa, or to a subsidiary  
15 or affiliate of a United States firm operating in the Republic  
16 of South Africa, as determined from information obtained from  
17 the United States Department of Commerce.

18     (b) As used in this section:

19     "Financial institution" means a bank chartered under the laws  
20 of this State or of the United States.

21     "National corporation" means a corporation, or a subsidiary  
22 of affiliate of a corporation that is more than 50% owned or  
23 operated by the government of the Republic of South Africa.

24     "Subsidiary or affiliate of a United States firm operating in  
25 the Republic of South Africa" means, as determined by the United  
26 States Department of Commerce, a firm incorporated under the  
27 laws of the Republic of South Africa, domiciled in the Republic  
28 of South Africa, and controlled by a United States firm. A  
29 subsidiary or affiliate shall not be construed to mean a  
30 subsidiary or affiliate that is located in the United States.

1       Section 2.   This act shall take effect immediately.