

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 3

Session of  
1985

INTRODUCED BY RICHARDSON, IRVIS, LINTON, FREEMAN, ACOSTA, CARN,  
WIGGINS, PRESTON, FATTAH, DEAL, JOSEPHS, HARPER, CALTAGIRONE  
AND R. C. WRIGHT, JANUARY 23, 1985

REFERRED TO COMMITTEE ON FINANCE, JANUARY 23, 1985

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, a communist  
12 block country or any country governed by a military  
13 dictatorship which supports or condones policies which result  
14 in human rights violations.

15 The General Assembly of the Commonwealth of Pennsylvania  
16 hereby enacts as follows:

17 Section 1. The act of February 17, 1906 (P.L.45, No.11),  
18 entitled "An act to regulate the deposits of State funds, to  
19 prescribe the method of selecting State depositories, to limit  
20 the amount of State deposits, to provide for the security of  
21 such deposits, to fix the rate of interest thereon, to provide  
22 for the publication of monthly statements of moneys in the  
23 general and sinking funds, to declare it a misdemeanor to give

1 or take anything of value for obtaining the same, and  
2 prescribing penalties for violations of this act," is amended by  
3 adding a section to read:

4     Section 3.1. (a) To be a depository of State funds, a  
5 financial institution shall not encourage or condone legally  
6 required discrimination against an individual on the basis of  
7 race or color or supported human rights violations against an  
8 individual by knowingly making or maintaining a loan to the  
9 Republic of South Africa, a communist block country or any  
10 country governed by a military dictatorship which supports or  
11 condones policies which result in human rights violations, a  
12 national corporation of the Republic of South Africa, a  
13 communist block country or any country governed by a military  
14 dictatorship which supports or condones policies which result in  
15 human rights violations, or to a subsidiary or affiliate of a  
16 United States firm operating in the Republic of South Africa, a  
17 communist block country or any country governed by a military  
18 dictatorship which supports or condones policies which result in  
19 human rights violations. A financial institution shall be  
20 considered to have complied with this subsection if the  
21 financial institution has filed with the State Treasurer an  
22 affidavit attesting to the fact that it has, no later than six  
23 months from the effective date of this section, no existing  
24 loans to the Republic of South Africa, a communist block country  
25 or any country governed by a military dictatorship which  
26 supports or condones policies which result in human rights  
27 violations, a national corporation of the Republic of South  
28 Africa, a communist block country governed by a military  
29 dictatorship which supports or condones policies which result in  
30 human rights violations, or to a subsidiary or affiliate of a

United States firm operating in the Republic of South Africa, a communist block country or any country governed by a military dictatorship which supports or condones policies which result in human rights violations, as determined from information obtained from the United States Department of Commerce.

(b) As used in this section:

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

"National corporation" means a corporation, or a subsidiary of affiliate of a corporation, that is more than fifty per centum owned or operated by the government of the Republic of South Africa, a communist block country or any country governed by a military dictatorship which supports or condones policies which result in human rights violations.

"Subsidiary or affiliate of a United States firm operating in the Republic of South Africa, a communist block country or any country governed by a military dictatorship which supports or condones policies which result in human rights violations" means, as determined by the United States Department of Commerce, a firm incorporated under the laws of the Republic of South Africa, a communist block country or any country governed by a military dictatorship which supports or condones policies which result in human rights violations, domiciled in the Republic of South Africa, a communist block country or any country governed by a military dictatorship which supports or condones policies which result in human rights violations, and controlled by a United States firm. A subsidiary or affiliate shall not be construed to mean a subsidiary or affiliate that is located in the United States.

Section 2. This act shall take effect immediately.