

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 134 Session of
1989

INTRODUCED BY RICHARDSON, MANDERINO, LINTON, KUKOVICH, EVANS,
FEE, ACOSTA, CARN, HARPER, HUGHES, OLIVER, PRESTON, ROBINSON,
BISHOP, WILLIAMS, THOMAS, McHALE, JAMES, ROEBUCK, PISTELLA,
TIGUE, BLAUM, CAWLEY, JOSEPHS, RITTER, TRICH, LEVDANSKY,
COLAIZZO, FREEMAN, PRESSMANN AND COWELL, JANUARY 25, 1989

REFERRED TO COMMITTEE ON FINANCE, JANUARY 25, 1989

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 and Namibia.

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

prescribing penalties for violations of this act," is amended by adding a section to read:

Section 3.1. (a) To be a depository of State funds, a financial institution shall not encourage or condone legally required discrimination against an individual on the basis of race or color or supported human rights violations against an individual by knowingly making or maintaining a loan to the Republic of South Africa and Namibia, a national corporation of the Republic of South Africa and Namibia, or to a subsidiary or affiliate of a United States firm operating in the Republic of South Africa and Namibia. A financial institution shall be considered to have complied with this subsection if the financial institution has filed with the State Treasurer an affidavit attesting to the fact that it has, no later than six months from the effective date of this section, no existing loans to the Republic of South Africa and Namibia, a national corporation of the Republic of South Africa and Namibia, or to a subsidiary or affiliate of a United States firm operating in the Republic of South Africa and Namibia, 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 and Namibia.

"Subsidiary or affiliate of a United States firm operating in the Republic of South Africa and Namibia" means, as determined

1 by the United States Department of Commerce, a firm incorporated
2 under the laws of the Republic of South Africa and Namibia,
3 domiciled in the Republic of South Africa and Namibia, and
4 controlled by a United States firm. A subsidiary or affiliate
5 shall not be construed to mean a subsidiary or affiliate that is
6 located in the United States.

7 Section 2. This act shall take effect immediately.