

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 374 Session of 1991

INTRODUCED BY RICHARDSON, COWELL, WAMBACH, PESCI, DALEY,  
ROEBUCK, CARN, HAYDEN, McNALLY, TIGUE, PRESTON, PISTELLA,  
JOSEPHS, FREEMAN, ITKIN, CAWLEY, LEVDANSKY, R. C. WRIGHT,  
JAMES, VEON, KOSINSKI, TRELLO, CORRIGAN, LAUGHLIN, EVANS,  
HUGHES, BISHOP, KUKOVICH, DeWEESE, ACOSTA, HARPER, LINTON,  
OLIVER, ROBINSON AND WILLIAMS, FEBRUARY 12, 1991

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 12, 1991

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

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 nor support human rights violations against an  
8 individual by knowingly making or maintaining a loan to the  
9 Republic of South Africa and Namibia, a national corporation of  
10 the Republic of South Africa and Namibia or a subsidiary or  
11 affiliate of a United States firm operating in the Republic of  
12 South Africa and Namibia.

13 (b) A financial institution shall be considered to have  
14 complied with subsection (a) if the financial institution has  
15 filed with the State Treasurer an affidavit attesting to the  
16 fact that it has, no later than six months from the effective  
17 date of this section, no existing loans to the Republic of South  
18 Africa and Namibia, a national corporation of the Republic of  
19 South Africa and Namibia or a subsidiary or affiliate of a  
20 United States firm operating in the Republic of South Africa and  
21 Namibia, as determined from information obtained from the United  
22 States Department of Commerce.

23 (c) As used in this section:

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

26 "National corporation" means a corporation, or a subsidiary  
27 of affiliate of a corporation, that is more than fifty per  
28 centum owned or operated by the government of the Republic of  
29 South Africa and Namibia.

30 "Subsidiary or affiliate of a United States firm operating in

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

8       Section 2. This act shall take effect immediately.