

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

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

6 (b) As used in this section:

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

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

15 "Subsidiary or affiliate of a United States firm operating in
16 the Republic of South Africa, a communist block country or any
17 country governed by a military dictatorship which supports or
18 condones policies which result in human rights violations"
19 means, as determined by the United States Department of
20 Commerce, a firm incorporated under the laws of the Republic of
21 South Africa, a communist block country or any country governed
22 by a military dictatorship which supports or condones policies
23 which result in human rights violations, domiciled in the
24 Republic of South Africa, a communist block country or any
25 country governed by a military dictatorship which supports or
26 condones policies which result in human rights violations, and
27 controlled by a United States firm. A subsidiary or affiliate
28 shall not be construed to mean a subsidiary or affiliate that is
29 located in the United States.

30 Section 2. This act shall take effect immediately.