

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2152 Session of
2001

INTRODUCED BY HASAY, CALTAGIRONE, PERZEL, MUNDY, M. BAKER, BARD, BELFANTI, BENNINGHOFF, CAPPELLI, CREIGHTON, CURRY, DALLY, DeLUCA, FAIRCHILD, FICHTER, FREEMAN, GANNON, GEIST, GEORGE, HARHAI, HENNESSEY, HERSHEY, HESS, KELLER, KENNEY, PHILLIPS, ROBERTS, RUBLEY, SATHER, SCHRODER, SCRIMENTI, SEMMEL, SHANER, B. SMITH, SOLOBAY, R. STEVENSON, T. STEVENSON, STURLA, SURRA, TANGRETTI, E. Z. TAYLOR, TRICH, WATSON, WILT, G. WRIGHT, YOUNGBLOOD, FRANKEL, TURZAI, MAHER, PALLONE, WANSACZ, TIGUE, McGEEHAN, BUNT, FLICK, HORSEY, HABAY, ADOLPH, STABACK AND BROWNE, NOVEMBER 15, 2001

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, DECEMBER 3, 2001

AN ACT

1 Amending Title 17 (Credit Unions) of the Pennsylvania
2 Consolidated Statutes, prohibiting investments in
3 corporations doing business in countries which sponsor
4 terrorism; and prohibiting deposits from and loans to such
5 countries and corporations.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 ~~Section 1. Title 17 of the Pennsylvania Consolidated~~ <—

9 ~~Statutes is amended by adding a section to read:~~

10 ~~§ 518. Prohibition of investments in, loans to and deposits~~
11 ~~from countries identified as sponsors of terrorism~~
12 ~~and corporations doing business in such countries.~~

13 ~~(a) Investments. No funds shall be invested under this act~~
14 ~~in any stock or obligation of any corporation doing business,~~
15 ~~either by itself or through any subsidiary or affiliate, in any~~

~~country identified by the United States Department of State as a
sponsor of foreign terrorist organizations.~~

~~(b) Loans and deposits. No deposits shall be accepted from
or loans made to any country identified by the United States
Department of State as a sponsor of foreign terrorist
organizations or to any partnership, association, corporation or
other organization, group or subgroup identified by the
President of the United States or any agency of the United
States as a foreign terrorist organization, or to any person
identified as belonging to such an organization.~~

SECTION 1. SECTION 501(C) OF TITLE 17 OF THE PENNSYLVANIA
CONSOLIDATED STATUTES IS REPEALED.

SECTION 2. TITLE 17 IS AMENDED BY ADDING A SECTION TO READ:

§ 518. PROHIBITION OF TERRORISM-RELATED INVESTMENTS, DEPOSITS
AND LOANS.

(A) PROHIBITED INVESTMENTS.--ON AND AFTER THE EFFECTIVE DATE
OF THIS SECTION, NO FUNDS SHALL BE INVESTED IN THE STOCKS,
SECURITIES OR OTHER OBLIGATIONS OF ANY PERSON OR COUNTRY
SPECIFICALLY IDENTIFIED BY THE OFFICE OF FOREIGN ASSET CONTROL
OF THE UNITED STATES DEPARTMENT OF THE TREASURY AS SUPPORTING
FOREIGN TERRORISM AND AGAINST WHICH ECONOMIC, TRADE OR OTHER
SANCTIONS HAVE BEEN IMPOSED BY THE PRESIDENT OF THE UNITED
STATES PURSUANT TO THE CONSTITUTION AND LAWS OF THE UNITED
STATES, INCLUDING THE TRADING WITH THE ENEMY ACT (40 STAT. 411,
50 U.S.C. APP § 1 ET SEQ.), THE INTERNATIONAL EMERGENCY ECONOMIC
POWERS ACT (PUBLIC LAW 95-223, 50 U.S.C. § 1701 ET SEQ.), THE
NATIONAL EMERGENCIES ACT (PUBLIC LAW 94-412, 50 U.S.C. § 1601 ET
SEQ.), THE ARMS EXPORT CONTROL ACT (22 U.S.C. §§ 2797B-2797C),
SECTION 5 OF THE UNITED NATIONS PARTICIPATION ACT OF 1945 (22
U.S.C. § 287C) AND 3 U.S.C. § 301 (RELATING TO GENERAL

1 AUTHORIZATION TO DELEGATE FUNCTIONS; PUBLICATION OF DELEGATION).
2 THE RESTRICTION SHALL BE TO THE EXTENT PRESCRIBED BY THE
3 PRESIDENT OF THE UNITED STATES, UNLESS OTHERWISE SUBSEQUENTLY
4 WAIVED.

5 (B) PROHIBITED LOANS AND DEPOSITS.--ON AND AFTER THE
6 EFFECTIVE DATE OF THIS SECTION, NO DEPOSITS SHALL BE ACCEPTED
7 FROM OR LOANS MADE TO ANY PERSON OR COUNTRY SPECIFICALLY
8 IDENTIFIED BY THE OFFICE OF FOREIGN ASSETS CONTROL OF THE UNITED
9 STATES DEPARTMENT OF THE TREASURY AS SUPPORTING FOREIGN
10 TERRORISM AND AGAINST WHICH ECONOMIC, TRADE OR OTHER SANCTIONS
11 HAVE BEEN IMPOSED BY THE PRESIDENT OF THE UNITED STATES PURSUANT
12 TO THE CONSTITUTION AND LAWS OF THE UNITED STATES, INCLUDING THE
13 TRADING WITH THE ENEMY ACT (40 STAT. 411, 50 U.S.C. APP § 1 ET
14 SEQ.), THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT (PUBLIC
15 LAW 95-223, 50 U.S.C. § 1701 ET SEQ.), THE NATIONAL EMERGENCIES
16 ACT (PUBLIC LAW 94-412, 50 U.S.C. § 1601 ET SEQ.), THE ARMS
17 EXPORT CONTROL ACT (22 U.S.C. §§ 2797B-2797C), SECTION 5 OF THE
18 UNITED NATIONS PARTICIPATION ACT OF 1945 (22 U.S.C. § 287C) AND
19 3 U.S.C. § 301 (RELATING TO GENERAL AUTHORIZATION TO DELEGATE
20 FUNCTIONS; PUBLICATION OF DELEGATION). THE RESTRICTION SHALL BE
21 TO THE EXTENT PRESCRIBED BY THE PRESIDENT OF THE UNITED STATES,
22 UNLESS OTHERWISE SUBSEQUENTLY WAIVED.

23 (C) ASSET REVIEW.--THE DEPARTMENT OF BANKING SHALL PROVIDE
24 EACH CREDIT UNION WITH A LIST OF PERSONS AND COUNTRIES FOR WHICH
25 INVESTMENTS, TRANSACTIONS AND DEALINGS HAVE BEEN BLOCKED BY THE
26 OFFICE OF FOREIGN ASSETS CONTROL. THE DEPARTMENT SHALL REQUIRE
27 CREDIT UNIONS TO REVIEW INVESTMENTS, LOANS AND DEPOSITS AND TAKE
28 ACTION AS SOON AS POSSIBLE, CONSISTENT WITH ANY LEGAL
29 REQUIREMENTS, TO TERMINATE ANY RESTRICTED INVESTMENTS AND BLOCK
30 LOANS TO AND DEPOSITS FROM ANY PERSON OR COUNTRY IDENTIFIED BY

1 THE OFFICE OF FOREIGN ASSETS CONTROL.

2 (D) PERSON DEFINED.--AS USED IN THIS SECTION "PERSON" SHALL
3 INCLUDE A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY,
4 BUSINESS TRUST, OTHER ASSOCIATION, GOVERNMENT ENTITY, OTHER THAN
5 THE UNITED STATES OF AMERICA AND THE STATES THAT COMPRISE IT,
6 ESTATE, TRUST, FOUNDATION OR NATURAL PERSON.

7 Section 2 3. This act shall take effect immediately.

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