THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION No. 16 Session of 2007

INTRODUCED BY WASHINGTON, FONTANA, BOSCOLA, GREENLEAF, ORIE, RAFFERTY, KITCHEN, STOUT, O'PAKE, A. WILLIAMS AND COSTA, JANUARY 29, 2007

REFERRED TO FINANCE, JANUARY 29, 2007

A RESOLUTION

1 2 3 4 5	Establishing a select committee to study potential courses of action for Commonwealth departments, agencies and pension systems that make investments in, procure goods and services from or otherwise do business with companies conducting business in or with the Republic of Sudan.
б	WHEREAS, The Sudanese government is engaged in ongoing armed
7	conflict with ethnic African tribesmen in the Darfur region of
8	Sudan who rebelled against the government; and
9	WHEREAS, In the course of combating the rebellion, the
10	Sudanese government has used armed forces and armed Arab
11	militants known as the Janjaweed to conduct atrocities against
12	Darfurians, including many noncombatants; and
13	WHEREAS, Atrocities include the murder of nearly 400,000
14	people, displacement of 2.5 million people, razing of more than
15	half of the villages in northern Darfur, forced starvation and
16	enslavement; and
17	WHEREAS, The President and Congress of the United States and
18	the State Department have concluded that the actions of the
19	Sudanese government amount to genocide; and

1 WHEREAS, The State Department has reported that Sudanese 2 government forces have pursued a scorched-earth policy to remove 3 populations settled around a newly constructed oil pipeline and 4 other oil production facilities; and

5 WHEREAS, The United Nations International Commission of 6 Inquiry on Darfur has stated that the Sudanese government is 7 responsible for indiscriminate attacks, including murder, 8 torture, forced disappearances, destruction of villages, rape 9 and other forms of sexual violence, pillaging and displacement; 10 and

11 WHEREAS, The genocidal actions of the Sudanese government 12 have continued despite United States limitations on American-13 based companies conducting business in the Republic of Sudan; 14 and

15 WHEREAS, Genocide, enslavement and other cited atrocities are 16 repugnant to the basic principles of liberty and justice 17 contained in the Bill of Rights of the Constitution of the 18 United States and in the Declaration of Rights in Article I of 19 the Constitution of Pennsylvania, principles which are 20 fundamental to the character of a free society; and 21 WHEREAS, Certain Commonwealth departments, agencies and 22 pension systems invest pension and taxpayer funds in, procure 23 goods and services from or otherwise do business with foreign 24 companies that conduct operations internationally; and 25 WHEREAS, There is concern that certain foreign companies 26 conducting business in the Republic of Sudan are providing the 27 Sudanese government with revenue or infrastructure that may 28 facilitate the atrocities; and

29 WHEREAS, There is concern that certain foreign companies 30 operating in the Republic of Sudan are providing significant 20070S0016R0016 - 2 - revenue, support and arms to the Sudanese government while
 providing little benefit to Sudanese citizens; and

3 WHEREAS, There is concern that the Sudanese government has 4 funneled the majority of foreign direct investment from these 5 companies into military expenditures used to perpetuate 6 atrocities in Darfur while neglecting needed development 7 projects in that region; and

8 WHEREAS, There are reports that certain foreign companies 9 with business ties to the Republic of Sudan are engaged in 10 critical humanitarian and economic development efforts that 11 benefit oppressed citizens of Sudan, particularly in the 12 southern region of the country where the population is enjoying 13 relative peace and attempting to rebuild the regional economy; 14 and

15 WHEREAS, The United States Government has failed to provide 16 any clear guidance that would enable states to authoritatively 17 distinguish between companies engaged in activities that 18 facilitate atrocities and those that are aiding Sudanese 19 citizens; and

20 WHEREAS, The United States Government has failed to provide 21 specific recommendations regarding what actions, consistent with 22 United States foreign policy goals, states could or should take 23 with regard to companies conducting business in the Republic of 24 Sudan; and

25 WHEREAS, The lack of Federal guidance persists despite 26 repeated urgings of the largest public pension systems in this 27 Commonwealth and numerous national organizations, including the 28 National Conference of State Legislatures, the National 29 Association of State Retirement Administrators, the National 30 Association of State Auditors, Comptrollers and Treasurers and 20070S0016R0016 – 3 – 1 the National Council on Teacher Retirement; and

WHEREAS, Commonwealth residents find the actions of the 2 3 Sudanese government in Darfur to be repugnant to basic 4 principles of humanity and in violation of fundamental 5 principles of human rights and personal freedom embodied within the Constitution of the United States and the Declaration of 6 Rights in the Constitution of Pennsylvania; and 7 8 WHEREAS, The Commonwealth recognizes the complexity and difficulty of determining whether particular companies doing 9 10 business in the Republic of Sudan ultimately contribute to the 11 benefit or harm of Sudanese citizens and likewise the complexity and difficulty of determining whether and to what degree any 12 13 State action might truly affect the lives of Sudanese citizens; therefore be it. 14

RESOLVED, That the Senate establish a select committee to study potential courses of action for Commonwealth departments, agencies and pension systems that make investments in, procure goods and services from or otherwise do business with companies conducting business in or with the Republic of Sudan; and be it further

21 RESOLVED, That the committee consist of nine members of the 22 Senate as follows:

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(1) The President pro tempore of the Senate.

24 (2) The chairman and minority chairman of the25 Appropriations Committee of the Senate.

26 (3) The chairman and minority chairman of the Education27 Committee of the Senate.

28 (4) The chairman of the Majority Policy Committee of the29 Senate.

30 (5) The chairman of the Minority Policy Committee of the 20070S0016R0016 - 4 - 1 Senate.

2 (6) One appointee designated by the Majority Leader of3 the Senate.

4 (7) One appointee designated by the Minority Leader of
5 the Senate;

6 and be it further

7 RESOLVED, That the members of the committee choose from among 8 themselves a chairman and other officers as deemed necessary and 9 draw upon their existing staff to assist in the work of the 10 committee; and be it further

11 RESOLVED, That the committee document the existing state of affairs in the Republic of Sudan, including, without limitation, 12 13 the relationship between Commonwealth departments, agencies and 14 pension systems investing in, procuring goods and services from 15 and otherwise doing business with companies in the Republic of 16 Sudan and policies of the Sudanese government; and be it further 17 RESOLVED, That Commonwealth agencies and departments be 18 directed to assist the committee in its investigation; and be it 19 further

20 RESOLVED, That the committee study the issue of what courses 21 of action, if any, might be available to the Commonwealth to 22 influence in a meaningful way the conduct of companies doing business in the Republic of Sudan; and be it further 23 24 RESOLVED, That the committee report on the relative degree to 25 which various courses of action might be expected to have a 26 meaningful, positive impact on the lives of the oppressed Sudanese citizens; and be it further 27

28 RESOLVED, That the committee study the question of how 29 measures could be implemented consistent with Federal law 30 regarding the rights of the Federal Government to conduct 20070S0016R0016 - 5 - 1 foreign policy; and be it further

RESOLVED, That, if the committee finds that State action with regard to specific Sudan-related assets could favorably influence the behavior of the Sudanese government toward its oppressed citizens and is consistent with Federal law, the committee study the financial impact on the Commonwealth; and be it further

8 RESOLVED, That the committee consider the following:

9 (1) Actions taken by other states with respect to their10 investment funds.

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(2) Legislation enacted by or pending in the Congress.

12 (3) Information compiled by the Federal Government,
13 especially the State Department, relating to the Republic of
14 Sudan.

15 (4) Coordination among shareholders or other investment16 funds.

17 (5) The status and prospects of litigation pending in
18 other jurisdictions regarding the authority of the states to
19 pursue similar actions.

20 (6) Any other information the committee determines to be 21 relevant;

22 and be it further

23 RESOLVED, That the committee have the power to obtain the 24 necessary information from any group or individual deemed 25 helpful in reaching a recommendation; and be it further 26 RESOLVED, That in assessing potential courses of action, the 27 committee be mindful of the fiduciary duties of the public pension systems, determine if any course of action conflicts 28 with those duties and determine what steps the Commonwealth 29 30 could take to ensure that fiduciaries are held harmless against 20070S0016R0016 - 6 -

all losses suffered by the public pension systems as a result of
 their compliance with a legislatively directed course of action;
 and be it further

RESOLVED, That the select committee collaborate with any
similar committee established by the House of Representatives,
the holding of hearings and the development of a report of
findings in order to work in a unified manner to address this
issue; and be it further

9 RESOLVED, That the committee make a report of its findings to 10 the Senate by June 30, 2007.