

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2192 Session of
2014

INTRODUCED BY MCGEEHAN, YOUNGBLOOD, ROZZI, SCHLOSSBERG, O'BRIEN,
K. BOYLE, MOLCHANY, KINSEY, FLECK, DAVIS, MAHONEY, DeLUCA,
KIM, KIRKLAND, COHEN, RAVENSTAHL, ROEBUCK, FRANKEL, MCCARTER
AND STURLA, APRIL 22, 2014

REFERRED TO COMMITTEE ON FINANCE, APRIL 22, 2014

AN ACT

1 Amending Title 72 (Taxation and Fiscal Affairs) of the
2 Pennsylvania Consolidated Statutes, prohibiting investments
3 in state sponsors of criminalized sexual orientation or
4 gender identity.

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

7 Section 1. Title 72 of the Pennsylvania Consolidated
8 Statutes is amended by adding a part to read:

9 PART III

10 FISCAL AFFAIRS

11 Chapter

12 71. Prohibited Investments

13 CHAPTER 71

14 PROHIBITED INVESTMENTS

15 Sec.

16 7101. Definitions.

17 7102. Criminalized sexual orientation or gender identity.

18 § 7101. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Entity." A corporation, partnership, limited liability company, business trust, other association, government entity, other than the United States of America and the states that comprise it, estate, trust, foundation or natural person.

"Public fund." A Commonwealth fund, including the State Employees' Retirement Fund and the Public School Employees' Retirement Fund. The term includes the State entity responsible for administering the fund.

"State sponsor of criminalized sexual orientation or gender identity." The term includes a country identified or designated by the Department of State as having sponsored or repeatedly provided support for criminalized sexual orientation or gender identity.

§ 7102. Criminalized sexual orientation or gender identity.

(a) Prohibited investments.--Beginning 60 days after the effective date of this section, a public fund may not invest in the stocks, securities or other obligations of an entity engaged in business with a state sponsor of criminalized sexual orientation or gender identity. If the public fund becomes aware that it has invested in violation of this subsection, the public fund shall immediately move to divest itself of the investment in a prudent manner.

(b) Humanitarian aid exception.--A public fund shall permit investments in an entity:

(1) that engages in the provision of goods and services that relieve human suffering or promote health or religious, spiritual, educational, humanitarian or journalistic

1 activities; or

2 (2) that conducts commercial transactions in any country
3 identified as a state sponsor of criminalized sexual
4 orientation or gender identity pursuant to a permit or
5 license issued by the United States Government or the United
6 Nations and is exempt from divestment and exclusion.

7 (c) Portfolio review.--Within 90 days of the effective date
8 of this section and at least annually thereafter, the public
9 fund shall complete a comprehensive review of the public fund's
10 investments to determine compliance with subsection (a). The
11 public fund shall provide the General Assembly with a copy of
12 the comprehensive review annually. If the public fund becomes
13 aware that it has invested in violation of this section, the
14 public fund shall immediately move to divest itself of the
15 investment in a prudent manner.

16 (d) Investment manager.--Each existing and future investment
17 manager retained by a public fund on or after the effective date
18 of this section who invests in the name of the public fund shall
19 be notified by the public fund of the obligation to conduct the
20 investment activities on behalf of the public fund in a manner
21 designed to comply with subsection (a).

22 (e) Department of State.--The Department of State shall,
23 within 30 days of the effective date of this section and
24 annually thereafter, compile a list of state sponsors of
25 criminalized sexual orientation or gender identity, which shall
26 be published in the Pennsylvania Bulletin.

27 Section 2. This act shall take effect in 60 days.