

**TO:** All House Members  
**2012**  
**FROM:** Rep. Dan Frankel  
**SUBJECT:** Co-Sponsorship of legislation: Iran Divesture

May 29,

I plan to introduce legislation that would prohibit the Department of General Services from entering into a contract with an individual, organization, financial institution, company or government entity that provides goods and services or a line of credit worth at least \$20 million to the energy sector of Iran. The department shall develop a list of people, organizations, and companies that are engaged in investment activities with Iran and update the list every 180 days. People, organizations, and companies on the list will be prohibited from contracting with the Commonwealth of Pennsylvania for goods and services.

An exception to the prohibition may be granted by the department for contracts worth at least \$1,000,000 if all of the following apply:

1. The investment activities in Iran were made before and were not expanded after July 1, 2011.
2. The person refrains from engaging in any future investment activities in Iran.
3. The department determines that the commonwealth entity has no other method of obtaining the goods or services than entering into a contract with the person.

Prior to entering a contract, the individual, organization or company must file a certification with the Department of General Services. The legislation also provides penalties for companies that file a false certification. The penalties include a fine or contract termination.

This legislation is based on similar legislation introduced or passed in California, Indiana, and Maryland and is a companion piece to a bill introduced by Senator Michael Stack.

If you would like to cosponsor this very important measure, please contact Carrie in my office by phone (705-7019) or by email ([cgoodyea@pahouse.net](mailto:cgoodyea@pahouse.net))