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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1283 Session of  
2015

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INTRODUCED BY COHEN, FRANKEL, BROWNLEE, M. DALEY, DeLUCA,  
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JUNE 5, 2015

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REFERRED TO COMMITTEE ON STATE GOVERNMENT, JUNE 5, 2015

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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.

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

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

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

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

17 § 7102. Criminalized sexual orientation or gender identity.

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

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

28 (1) that engages in the provision of goods and services  
29 that relieve human suffering or promote health or religious,  
30 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.