
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 388 Session of
2019

INTRODUCED BY COSTA, FONTANA, FARNESE, HUGHES, COLLETT, SCHWANK,
SANTARSIERO, BLAKE, TARTAGLIONE AND HAYWOOD, MARCH 5, 2019

REFERRED TO FINANCE, MARCH 5, 2019

AN ACT

1 Amending the act of July 2, 2010 (P.L.266, No.44), entitled "An
2 act providing for divestiture by the State Treasurer, the
3 State Employees' Retirement System and the Public School
4 Employees' Retirement System of investments in companies
5 doing business in Iran and Sudan," amending the title of the
6 act; further providing for definitions; and providing for
7 identification of assault weapons manufacturers, for required
8 actions related to assault weapons manufacturers and for
9 reporting relating to assault weapons manufacturers.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. The title of the act of July 2, 2010 (P.L.266,
13 No.44), known as the Protecting Pennsylvania's Investments Act,
14 is amended to read:

15 AN ACT

16 Providing for divestiture by the State Treasurer, the State
17 Employees' Retirement System and the Public School Employees'
18 Retirement System of investments in companies doing business
19 in Iran and Sudan and in assault weapons manufacturers.

20 Section 2. Section 2 of the act is amended by adding
21 definitions to read:

1 Section 2. Definitions.

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

5 * * *

6 "Assault weapon." The term includes all of the following:

7 (1) A semiautomatic center fire rifle capable of
8 accepting detachable magazines and a pistol grip protruding
9 conspicuously below the weapon's action, a thumbhole stock or
10 folding or telescopic stock, a flash suppressor, grenade
11 launcher or flare launcher or a forward pistol grip.

12 (2) A semiautomatic center fire rifle with an overall
13 length of less than 30 inches.

14 (3) A semiautomatic center fire rifle with a fixed
15 magazine capable of holding more than 10 rounds of
16 ammunition.

17 (4) A semiautomatic pistol capable of accepting
18 detachable magazines and a threaded barrel, a second
19 handgrip, a capacity to accept a detachable magazine at some
20 location outside the pistol grip or a shroud attached to, or
21 partially or completely encircling, the barrel allowing the
22 bearer to fire the weapon without burning the bearer's hand,
23 except for a slide enclosing the barrel.

24 (5) A semiautomatic pistol with a fixed magazine having
25 the capacity to accept more than 10 rounds.

26 (6) A semiautomatic shotgun having a folding or
27 telescoping stock, a pistol grip protruding conspicuously
28 beneath the action of the weapon, a thumbhole stock or a
29 vertical handgrip.

30 (7) A semiautomatic shotgun with the ability to accept

1 detachable magazines.

2 (8) A shotgun with a revolving cylinder.

3 (9) A part or combination of parts designed or intended
4 to convert a firearm into an assault weapon or any
5 combination of parts from which an assault weapon may be
6 readily assembled if the parts are in the possession of or
7 under the control of the same person.

8 (10) A detachable ammunition-feeding device with the
9 capacity to accept more than 10 rounds of ammunition. The
10 term does not include:

11 (i) a feeding device that has been permanently
12 altered so that it cannot accommodate more than 10
13 rounds;

14 (ii) a .22 caliber tube ammunition-feeding device;
15 or

16 (iii) a tubular magazine that is contained in a
17 lever-action firearm.

18 (11) A device designed or manufactured for the sole
19 purpose of accelerating the rate of fire of a semiautomatic
20 firearm to simulate the rate of fire of an automatic weapon.

21 "Assault weapons manufacturer." A person who manufactures
22 assault weapons.

23 "Assault weapons manufacturing activities." The
24 manufacturing of assault weapons.

25 * * *

26 "Substantial action specific to assault weapons
27 manufacturing." Adopting, publicizing and implementing a formal
28 plan to cease assault weapons manufacturing activities within
29 one year and to refrain from any new assault weapons
30 manufacturing activities.

1 * * *

2 Section 3. The act is amended by adding sections to read:

3 Section 6.1. Identification of assault weapons manufacturers.

4 (a) Best effort.--Within 90 days after the effective date of
5 this section, a public fund shall make its best effort to
6 identify all assault weapons manufacturers in which the public
7 fund has direct holdings. A public fund shall review, as
8 appropriate in the public fund's judgment, publicly available
9 information regarding assault weapons manufacturers, including
10 information provided by nonprofit organizations, research firms,
11 international organizations and government entities.

12 (b) Assembly.--By the first meeting of a public fund
13 following the time period under subsection (a), the public fund
14 shall assemble all assault weapons manufacturers into an assault
15 weapons manufacturers list.

16 Section 6.2. Required actions related to assault weapons
17 manufacturers.

18 (a) Procedure.--A public fund shall adhere to the procedures
19 under this section for determining companies on the public
20 fund's assault weapons manufacturers list that qualify for
21 divestment.

22 (b) Engagement.--

23 (1) For each assault weapons manufacturer on a public
24 fund's assault weapons manufacturers list in which the public
25 fund has direct holdings, the public fund shall send a
26 written notice informing the assault weapons manufacturer of
27 the assault weapons manufacturing activities which have
28 resulted in this determination and that the assault weapons
29 manufacturer may become subject to divestment by the public
30 fund. The notice must inform the assault weapons manufacturer

1 of the opportunity to clarify the assault weapons
2 manufacturing activities and encourage the assault weapons
3 manufacturer, within 180 days of the date of receipt of the
4 notice, to cease the assault weapons manufacturing activities
5 in order to avoid qualifying for divestment by the public
6 fund. The notice shall be sent no later than 120 days after
7 the effective date of this section.

8 (2) If, within 180 days of the date of receipt of a
9 notice under paragraph (1), an assault weapons manufacturer
10 announces by public disclosure substantial action specific to
11 assault weapons manufacturing, the public fund may maintain
12 its holdings, but the assault weapons manufacturer shall
13 remain on the assault weapons manufacturers list pending
14 completion of the assault weapons manufacturer's cessation of
15 assault weapons manufacturing activities. Following
16 completion of an assault weapons manufacturer's cessation of
17 assault weapons manufacturing activities, the public fund
18 shall remove the assault weapons manufacturer from the public
19 fund's assault weapons manufacturers list.

20 (c) Divestment.--

21 (1) If, after 180 days following the effective date of
22 receipt of the notice under subsection (b)(1), an assault
23 weapons manufacturer has not announced by public disclosure
24 substantial action specific to assault weapons manufacturing
25 as specified in the notice, or the public fund determines or
26 becomes aware that the assault weapons manufacturer continues
27 to have assault weapons manufacturing activities, the public
28 fund, within 26 months after the 180-day period, shall sell,
29 redeem, divest or withdraw from its direct holdings all
30 securities of the assault weapons manufacturer.

1 (2) If a public fund determines or becomes aware that an
2 assault weapons manufacturer that ceased assault weapons
3 manufacturing activities following engagement under
4 subsection (b) has resumed the manufacturing, the public fund
5 shall send a written notice to the assault weapons
6 manufacturer under subsection (b), and the assault weapons
7 manufacturer shall be immediately placed onto the public
8 fund's assault weapons manufacturers list.

9 (3) A public fund shall monitor an assault weapons
10 manufacturer that has announced by public disclosure
11 substantial action specific to assault weapons manufacturing.
12 If, after one year, the public fund determines or becomes
13 aware that the assault weapons manufacturer has not
14 implemented the plan, the public fund, within 26 months after
15 the expiration of the one-year period, shall sell, redeem,
16 divest or withdraw from its direct holdings all securities of
17 the assault weapons manufacturer.

18 (d) Prohibition.--A public fund may not acquire securities
19 of an assault weapons manufacturer on the public fund's assault
20 weapons manufacturers list.

21 (e) Excluded securities.--Nothing in this act shall apply to
22 the public fund's holdings in alternative investments or
23 indirect holdings.

24 Section 6.3. Reporting relating to assault weapons
25 manufacturers.

26 (a) Duty of public fund.--A public fund shall, no earlier
27 than one year after the effective date of this section, provide
28 a report to the Governor, the President pro tempore of the
29 Senate, the Speaker of the House of Representatives and each
30 member of the boards of the Pennsylvania Municipal Retirement

1 System, the State Employees' Retirement System and the Public
2 School Employees' Retirement System. The report shall include
3 the items required under subsection (b). The report shall be
4 made available to the public.

5 (b) Contents.--The report under subsection (a) shall include
6 the most recent assault weapons manufacturers list and all of
7 the following:

8 (1) A summary of correspondence with assault weapons
9 manufacturers engaged by the public fund under section 6.2.

10 (2) All investments sold, redeemed, divested or
11 withdrawn in compliance with section 6.2(c), the costs and
12 expenses of the transfers and a determination of net gain or
13 net loss on account of the transactions incurred under this
14 act.

15 (3) All prohibited investments under section 6.2(d).

16 (4) A list of all publicly traded securities held by the
17 public fund.

18 (c) Update.--A public fund shall do all of the following:

19 (1) Annually update, based on evolving information under
20 subsection (b), and make publicly available the public fund's
21 assault weapons manufacturers list.

22 (2) Provide a copy of the lists under paragraph (1),
23 including updates, to all other public funds.

24 Section 4. This act shall take effect immediately.