

By Senator Deutch

30-1226-07

1                                   A bill to be entitled

2           An act relating to economic sanctions related

3           to Sudan; providing legislative findings;

4           providing definitions; requiring the State

5           Board of Administration to identify all

6           companies doing certain types of business in or

7           with Sudan in which public moneys are invested;

8           requiring the board to create and maintain a

9           Scrutinized Company List which names all such

10          companies; requiring the board to periodically

11          contact all scrutinized companies and encourage

12          them to refrain from engaging in certain types

13          of business in or with Sudan; requiring the

14          board to inform scrutinized companies of their

15          status as a scrutinized company and to ask for

16          clarification as to the nature of each

17          company's business activities; providing that a

18          company may be removed from the list under

19          certain conditions; providing for

20          reintroduction of a company onto the list;

21          requiring the board to divest of all publicly

22          traded securities of a scrutinized company

23          under certain conditions; providing exceptions

24          to the divestment requirement; prohibiting the

25          board from acquiring securities of scrutinized

26          companies that have active business operations;

27          providing exceptions to the investment

28          prohibition; providing an additional exception

29          from the divestment requirement and the

30          investment prohibition to certain indirect

31          holdings in actively managed investment funds;

1 requiring the board to request that the  
2 managers of such investment funds consider  
3 removing scrutinized companies from the fund or  
4 create a similar fund that excludes such  
5 companies; requiring the board to file a report  
6 to the Governor, the Legislature, and Attorney  
7 General within a specified period after  
8 creation of the Scrutinized Company List;  
9 requiring the annual filing of an updated  
10 report; requiring that all such reports be made  
11 available to the public; requiring that the  
12 report include certain information; providing  
13 for the expiration of the act; exempting the  
14 board from certain statutory or common law  
15 obligations; authorizing the board to cease  
16 divesting or to reinvest in certain scrutinized  
17 companies if the value for all assets under  
18 management by the board becomes equal to or  
19 less than a specified amount; requiring the  
20 board to file a written report to the Governor,  
21 the Legislature, and Attorney General before  
22 such reinvestment; requiring that the report  
23 contain certain information; requiring  
24 semiannual updates to such reports when  
25 applicable; requiring the Attorney General to  
26 enforce the divestment requirements and  
27 investment prohibitions; authorizing the  
28 Attorney General to bring enforcement actions  
29 in court through any lawful designee; providing  
30 for severability; providing an effective date.

31

1 Be It Enacted by the Legislature of the State of Florida:

2

3 Section 1. (1) LEGISLATIVE FINDINGS.--

4 (a) On July 23, 2004, the United States Congress  
5 declared that "the atrocities unfolding in Darfur, Sudan, are  
6 genocide."

7 (b) On September 9, 2004, Secretary of State Colin L.  
8 Powell told the United States Senate Foreign Relations  
9 Committee that "genocide has occurred and may still be  
10 occurring in Darfur" and "the Government of Sudan and the  
11 Janjaweed bear responsibility."

12 (c) On September 21, 2004, addressing the United  
13 Nations General Assembly, President George W. Bush affirmed  
14 the Secretary of State's finding and stated, "At this hour,  
15 the world is witnessing terrible suffering and horrible crimes  
16 in the Darfur region of Sudan, crimes my government has  
17 concluded are genocide."

18 (d) On December 7, 2004, the United States Congress  
19 noted that the genocidal policy in Darfur has led to reports  
20 of "systematic rape of thousands of women and girls, the  
21 abduction of women and children, and the destruction of  
22 hundreds of ethnically African villages, including the  
23 poisoning of their wells and the plunder of their crops and  
24 cattle upon which the people of such villages sustain  
25 themselves."

26 (e) Also on December 7, 2004, Congress found that "the  
27 Government of Sudan has restricted access by humanitarian and  
28 human rights workers to the Darfur area through intimidation  
29 by military and security forces, and through bureaucratic and  
30 administrative obstruction, in an attempt to inflict the most  
31 devastating harm on those individuals displaced from their

1 villages and homes without any means of sustenance or  
2 shelter."

3 (f) On September 25, 2006, Congress reaffirmed that  
4 "the genocide unfolding in the Darfur region of Sudan is  
5 characterized by acts of terrorism and atrocities directed  
6 against civilians, including mass murder, rape, and sexual  
7 violence committed by the Janjaweed and associated militias  
8 with the complicity and support of the National Congress  
9 Party-led faction of the Government of Sudan."

10 (g) On September 26, 2006, the United States House of  
11 Representatives stated that "an estimated 300,000 to 400,000  
12 people have been killed by the Government of Sudan and its  
13 Janjaweed allies since the crisis began in 2003, more than  
14 2,000,000 people have been displaced from their homes, and  
15 more than 250,000 people from Darfur remain in refugee camps  
16 in Chad."

17 (h) The Darfur crisis represents the first time the  
18 United States Government has labeled ongoing atrocities as  
19 genocide.

20 (i) The Federal Government has imposed sanctions  
21 against the Government of Sudan since 1997. These sanctions  
22 are monitored through the United States Treasury Department's  
23 Office of Foreign Assets Control (OFAC).

24 (j) According to a former chair of the United States  
25 Securities and Exchange Commission, "the fact that a foreign  
26 company is doing material business with a country, government,  
27 or entity on OFAC's sanctions list is, in the SEC staff's  
28 view, substantially likely to be significant to a reasonable  
29 investor's decision about whether to invest in that company."

30 (k) Since 1993, the United States Secretary of State  
31 has determined that Sudan is a country whose government has

1 repeatedly provided support for acts of international  
2 terrorism, and, as a result, the United States has restricted  
3 assistance, defense exports, defense sales, financial  
4 transactions, and various other transactions with the  
5 Government of Sudan.

6 (l) A 2006 report by United States House of  
7 Representatives states that "a company's association with  
8 sponsors of terrorism and human rights abuses, no matter how  
9 large or small, can have a materially adverse result on a  
10 public company's operations, financial condition, earnings,  
11 and stock prices, all of which can negatively affect the value  
12 of an investment."

13 (m) In response to the financial risk posed by  
14 investments in companies doing business with a state that  
15 sponsors terrorists, the Securities and Exchange Commission  
16 established its Office of Global Security Risk to provide for  
17 enhanced disclosure of material information regarding such  
18 companies.

19 (n) The current Sudan divestment movement encompasses  
20 nearly 100 universities, municipalities, states, and private  
21 pension plans.

22 (o) Companies facing such widespread divestment  
23 present further material risk to remaining investors.

24 (p) It is a fundamental responsibility of the State of  
25 Florida to decide where, how, and by whom financial resources  
26 in its control should be invested, taking into account  
27 numerous pertinent factors.

28 (q) It is the prerogative and desire of the State of  
29 Florida with respect to investment resources in its control  
30 and to the extent reasonable, with due consideration for  
31 return on investment on behalf of the state and its investment

1 beneficiaries, not to participate in an ownership or  
2 capital-providing capacity with entities that provide  
3 significant practical support for genocide, including certain  
4 non-United States companies presently doing business in Sudan.

5 (r) The Legislature finds that this act should remain  
6 in effect only insofar as it continues to be consistent with  
7 and does not unduly interfere with the foreign policy of the  
8 United States as determined by the Federal Government.

9 (s) The Legislature finds that mandatory divestment of  
10 public funds from certain companies is a measure that should  
11 be employed sparingly and judiciously. A Congressional and  
12 Presidential declaration of genocide satisfies this high  
13 threshold.

14 (2) DEFINITIONS.--As used in this act, the term:

15 (a) "Active business operations" means all business  
16 operations that are not inactive business operations.

17 (b) "Business operations" means engaging in commerce  
18 in any form in Sudan, including, but not limited to,  
19 acquiring, developing, maintaining, owning, selling,  
20 possessing, leasing, or operating equipment, facilities,  
21 personnel, products, services, personal property, real  
22 property, or any other apparatus of business or commerce.

23 (c) "Company" means any sole proprietorship,  
24 organization, association, corporation, partnership, joint  
25 venture, limited partnership, limited liability partnership,  
26 limited liability company, or other entity or business  
27 association, including all wholly owned subsidiaries,  
28 majority-owned subsidiaries, parent companies, or affiliates  
29 of such entities or business associations, which exists for  
30 the purpose of making profit.

31

1           (d) "Complicit" means taking actions during any  
2 preceding 20-month period which have directly supported or  
3 promoted the genocidal campaign in Darfur, including, but not  
4 limited to, preventing Darfur's victimized population from  
5 communicating with each other, encouraging Sudanese citizens  
6 to speak out against an internationally approved security  
7 force for Darfur, actively working to deny, cover up, or alter  
8 the record on human rights abuses in Darfur, or other similar  
9 actions.

10           (e) "Direct holdings" in a company means all  
11 securities of that company which are held directly by the  
12 Public Fund or in an account or fund in which the Public Fund  
13 owns all shares or interests.

14           (f) "Government of Sudan" means the government in  
15 Khartoum, Sudan, which is led by the National Congress Party,  
16 formerly known as the National Islamic Front, or any successor  
17 government formed on or after October 13, 2006, including the  
18 coalition National Unity Government agreed upon in the  
19 Comprehensive Peace Agreement for Sudan, and does not include  
20 the regional government of southern Sudan.

21           (g) "Inactive business operations" means the mere  
22 continued holding or renewal of rights to property previously  
23 operated for the purpose of generating revenues but not  
24 presently deployed for such purpose.

25           (h) "Indirect holdings" in a company means all  
26 securities of that company which are held in an account or  
27 fund, such as a mutual fund, managed by one or more persons  
28 not employed by the Public Fund, in which the Public Fund owns  
29 shares or interests together with other investors not subject  
30 to the provisions of this act.

31

1           (i) "Marginalized populations of Sudan" include, but  
2 are not limited to, the portion of the population in the  
3 Darfur region who have been genocidally victimized; the  
4 portion of the population of southern Sudan victimized by  
5 Sudan's north-south civil war; the Beja, Rashidiya, and other  
6 similarly underserved groups of eastern Sudan; the Nubian and  
7 other similarly underserved groups in Sudan's Abyei, Southern  
8 Blue Nile, and Nuba Mountain regions; and the Amri, Hamadab,  
9 Manasir, and other similarly underserved groups of northern  
10 Sudan.

11           (j) "Military equipment" means weapons, arms, military  
12 supplies, and equipment that readily may be used for military  
13 purposes, including, but not limited to, radar systems,  
14 military-grade transport vehicles, or supplies or services  
15 sold or provided directly or indirectly to any force actively  
16 participating in armed conflict in Sudan.

17           (k) "Mineral-extraction activities" include exploring,  
18 extracting, processing, transporting, or wholesale selling or  
19 trading of elemental minerals or associated metal alloys or  
20 oxides (ore), including gold, copper, chromium, chromite,  
21 diamonds, iron, iron ore, silver, tungsten, uranium, and zinc,  
22 as well as facilitating such activities, including, providing  
23 supplies or services in support of such activities.

24           (l) "Oil-related activities" include, but are not  
25 limited to, owning rights to oil blocks; exporting,  
26 extracting, producing, refining, processing, exploring for,  
27 transporting, selling, or trading of oil; constructing,  
28 maintaining, or operating a pipeline, refinery, or other  
29 oil-field infrastructure; and facilitating such activities,  
30 including providing supplies or services in support of such  
31 activities, except that the mere retail sale of gasoline and



1 related consumer products is not considered oil-related  
2 activities.

3 (m) "Power-production activities" means any business  
4 operation that involves a project commissioned by the National  
5 Electricity Corporation (NEC) of Sudan or other similar entity  
6 of the Government of Sudan whose purpose is to facilitate  
7 power generation and delivery, including, but not limited to,  
8 establishing power-generating plants or hydroelectric dams,  
9 selling or installing components for the project, providing  
10 service contracts related to the installation or maintenance  
11 of the project, as well as facilitating such activities,  
12 including providing supplies or services in support of such  
13 activities.

14 (n) "Public Fund" means all funds, assets, trustees,  
15 and other designates under the State Board of Administration.

16 (o) "Scrutinized company" means any company that meets  
17 any of the following criteria:

18 1. The company has business operations that involve  
19 contracts with or provision of supplies or services to the  
20 Government of Sudan, companies in which the Government of  
21 Sudan has any direct or indirect equity share, consortiums or  
22 projects commissioned by the Government of Sudan, or companies  
23 involved in consortiums or projects commissioned by the  
24 Government of Sudan and:

25 a. More than 10 percent of the company's revenues or  
26 assets linked to Sudan involve oil-related activities or  
27 mineral-extraction activities; less than 75 percent of the  
28 company's revenues or assets linked to Sudan involve contracts  
29 with or provision of oil-related or mineral-extracting  
30 products or services to the regional government of southern  
31 Sudan or a project or consortium created exclusively by that

1 regional government; and the company has failed to take  
2 substantial action; or

3 b. More than 10 percent of the company's revenues or  
4 assets linked to Sudan involve power-production activities;  
5 less than 75 percent of the company's power-production  
6 activities include projects whose intent is to provide power  
7 or electricity to the marginalized populations of Sudan; and  
8 the company has failed to take substantial action.

9 2. The company is complicit in the Darfur genocide.

10 3. The company supplies military equipment within  
11 Sudan, unless it clearly shows that the military equipment  
12 cannot be used to facilitate offensive military actions in  
13 Sudan or the company implements rigorous and verifiable  
14 safeguards to prevent use of that equipment by forces actively  
15 participating in armed conflict. Examples of safeguards  
16 include post-sale tracking of such equipment by the company,  
17 certification from a reputable and objective third party that  
18 such equipment is not being used by a party participating in  
19 armed conflict in Sudan, or sale of such equipment solely to  
20 the regional government of southern Sudan or any  
21 internationally recognized peacekeeping force or humanitarian  
22 organization.

23  
24 Notwithstanding the provisions of this act, a  
25 social-development company that is not complicit in the Darfur  
26 genocide is not considered a scrutinized company.

27 (p) "Social-development company" means a company whose  
28 primary purpose in Sudan is to provide humanitarian goods or  
29 services, including medicine or medical equipment;  
30 agricultural supplies or infrastructure, educational  
31 opportunities; journalism-related activities; information or

1 information materials; spiritual-related activities; services  
2 of a purely clerical or reporting nature; food, clothing, or  
3 general consumer goods that are unrelated to oil-related  
4 activities; mineral-extraction activities; or power-production  
5 activities.

6 (α) "Substantial action" means adopting, publicizing,  
7 and implementing a formal plan to cease scrutinized business  
8 operations within 1 year and to refrain from any such new  
9 business operations; undertaking significant humanitarian  
10 efforts on behalf of one or more marginalized populations of  
11 Sudan; or, through engagement with the Government of Sudan,  
12 materially improving conditions for the genocidally victimized  
13 population in Darfur.

14 (3) IDENTIFICATION OF COMPANIES.--

15 (a) Within 90 days after the effective date of this  
16 act, the Public Fund shall make its best efforts to identify  
17 all scrutinized companies in which the Public Fund has direct  
18 or indirect holdings or could possibly have such holdings in  
19 the future. Such efforts include:

20 1. Reviewing and relying, as appropriate in the Public  
21 Fund's judgment, on publicly available information regarding  
22 companies having business operations in Sudan, including  
23 information provided by nonprofit organizations, research  
24 firms, international organizations, and government entities;

25 2. Contacting asset managers contracted by the Public  
26 Fund which invest in companies having business operations in  
27 Sudan; or

28 3. Contacting other institutional investors that have  
29 divested from or engaged with companies that have business  
30 operations in Sudan.

31

1           (b) By the first meeting of the Public Fund following  
2 the 90-day period described in paragraph (a), the Public Fund  
3 shall assemble all scrutinized companies identified into a  
4 "Scrutinized Companies List."

5           (c) The Public Fund shall update the Scrutinized  
6 Companies List quarterly based on evolving information from,  
7 among other sources, those listed in paragraph (a).

8           (4) REQUIRED ACTIONS.--The Public Fund shall adhere to  
9 the following procedure for companies on the Scrutinized  
10 Companies List:

11           (a) Engagement.--

12           1. The Public Fund shall immediately determine the  
13 companies on the Scrutinized Companies List in which the  
14 Public Fund owns direct or indirect holdings.

15           2. For each company identified in this paragraph which  
16 has only inactive business operations, the Public Fund shall  
17 send a written notice informing the company of this act and  
18 encouraging it to continue to refrain from initiating active  
19 business operations in Sudan until it is able to avoid  
20 scrutinized business operations. The Public Fund shall  
21 continue such correspondence semiannually.

22           3. For each company newly identified under this  
23 paragraph which has active business operations, the Public  
24 Fund shall send a written notice informing the company of its  
25 scrutinized company status and that it may become subject to  
26 divestment by the Public Fund. The notice must inform the  
27 company of the opportunity to clarify its Sudan-related  
28 activities and encourage the company, within 90 days, to cease  
29 its scrutinized business operations or convert such operations  
30 to inactive business operations in order to avoid qualifying  
31 for divestment by the Public Fund.

1           4. If, within 90 days after the Public Fund's first  
2 engagement with a company pursuant to this paragraph, that  
3 company ceases scrutinized business operations, the company  
4 shall be removed from the Scrutinized Companies List and the  
5 provisions of this act shall cease to apply to it unless it  
6 resumes scrutinized business operations. If, within 90 days  
7 after the Public Fund's first engagement, the company converts  
8 its scrutinized active business operations to inactive  
9 business operations, the company is subject to all provisions  
10 relating thereto.

11           (b) Divestment.--

12           1. If, after 90 days following the Public Fund's first  
13 engagement with a company pursuant to paragraph (a), the  
14 company continues to have scrutinized active business  
15 operations, and only while such company continues to have  
16 scrutinized active business operations, the Public Fund shall  
17 sell, redeem, divest, or withdraw all publicly traded  
18 securities of the company, except as provided in paragraph  
19 (d), according to the following schedule:

20           a. At least 50 percent of such assets shall be removed  
21 from the Public Fund's assets under management by 9 months  
22 after the company's most recent appearance on the Scrutinized  
23 Companies List.

24           b. One hundred percent of such assets shall be removed  
25 from the Public Fund's assets under management within 15  
26 months after the company's most recent appearance on the  
27 Scrutinized Companies List.

28           2. If a company that ceased scrutinized active  
29 business operations following engagement pursuant to paragraph  
30 (a) resumes such operations, this paragraph immediately  
31 applies, and the Public Fund shall send a written notice to

1 the company. The company shall also be immediately  
2 reintroduced onto the Scrutinized Companies List.

3 (c) Prohibition.--The Public Fund may not acquire  
4 securities of companies on the Scrutinized Companies List  
5 which have active business operations, except as provided in  
6 paragraph (d).

7 (d) Exemption.--A company that the United States  
8 Government affirmatively declares to be excluded from its  
9 present or any future federal sanctions regime relating to  
10 Sudan is not subject to divestment or the investment  
11 prohibition pursuant to paragraphs (b) and (c).

12 (e) Excluded securities.--Notwithstanding the  
13 provisions of this act, paragraphs (b) and (c) do not apply to  
14 indirect holdings in actively managed investment funds.  
15 However, the Public Fund shall submit letters to the managers  
16 of such investment funds containing companies that have  
17 scrutinized active business operations requesting that they  
18 consider removing such companies from the fund or create a  
19 similar actively managed fund having indirect holdings devoid  
20 of such companies. If the manager creates a similar fund, the  
21 Public Fund shall replace all applicable investments with  
22 investments in the similar fund in an expedited timeframe  
23 consistent with prudent investing standards. For the purposes  
24 of this section, a private equity fund is deemed to be an  
25 actively managed investment fund.

26 (5) REPORTING.--

27 (a) The Public Fund shall file a report to the  
28 Governor, the President of the Senate, the Speaker of the  
29 House of Representatives, and the Attorney General that  
30 includes the Scrutinized Companies List within 30 days after  
31

1 the list is created. This report shall be made available to  
2 the public.

3 (b) Annually thereafter, the Public Fund shall file a  
4 report, which shall be made available to the public, to the  
5 Governor, the President of the Senate, the Speaker of the  
6 House of Representatives, and the Attorney General and send a  
7 copy of that report to the United States Presidential Special  
8 Envoy to Sudan, or an appropriate designee or successor, which  
9 includes:

10 1. A summary of correspondence with companies engaged  
11 by the Public Fund under subparagraphs (4)(a)2. and 3.;

12 2. All investments sold, redeemed, divested, or  
13 withdrawn in compliance with paragraph (4)(b);

14 3. All prohibited investments under paragraph (4)(c);  
15 and

16 4. Any progress made under paragraph (4)(e).

17 (6) EXPIRATION.--This act expires upon the occurrence  
18 of any of the following:

19 (a) The Congress or President of the United States  
20 declares that the Darfur genocide has been halted for at least  
21 12 months;

22 (b) The United States revokes all sanctions imposed  
23 against the Government of Sudan;

24 (c) The Congress or President of the United States  
25 declares that the Government of Sudan has honored its  
26 commitments to cease attacks on civilians, demobilize and  
27 demilitarize the Janjaweed and associated militias, grant free  
28 and unfettered access for deliveries of humanitarian  
29 assistance, and allow for the safe and voluntary return of  
30 refugees and internally displaced persons; or

31

1           (d) The Congress or President of the United States,  
2 through legislation or executive order, declares that  
3 mandatory divestment of the type provided for in this act  
4 interferes with the conduct of United States foreign policy.

5           (7) OTHER LEGAL OBLIGATIONS.--With respect to actions  
6 taken in compliance with this act, including all good faith  
7 determinations regarding companies as required by this act,  
8 the Public Fund is exempt from any conflicting statutory or  
9 common law obligations, including any such obligations with  
10 respect to choice of asset managers, investment funds, or  
11 investments for the Public Fund's securities portfolios.

12           (8) REINVESTMENT IN CERTAIN COMPANIES HAVING  
13 SCRUTINIZED ACTIVE BUSINESS OPERATIONS.--Notwithstanding any  
14 other provision of this act to the contrary, the Public Fund  
15 may cease divesting from certain scrutinized companies  
16 pursuant to paragraph (4)(b) or reinvest in certain  
17 scrutinized companies from which it divested pursuant to  
18 paragraph (4)(b) if clear and convincing evidence shows that  
19 the value of all assets under management by the Public Fund  
20 becomes equal to or less than 99.50 percent, or 50 basis  
21 points, of the hypothetical value of all assets under  
22 management by the Public Fund assuming no divestment for any  
23 company had occurred under paragraph (4)(b). Cessation of  
24 divestment, reinvestment, or any subsequent ongoing investment  
25 authorized by this act is limited to the minimum steps  
26 necessary to avoid the contingency set forth in this  
27 subsection. For any cessation of divestment, reinvestment, or  
28 subsequent ongoing investment authorized by this act, the  
29 Public Fund shall provide a written report to the Governor,  
30 the President of the Senate, the Speaker of the House of  
31 Representatives, and the Attorney General in advance of



1 initial reinvestment, updated semiannually thereafter as  
2 applicable, setting forth the reasons and justification,  
3 supported by clear and convincing evidence, for its decisions  
4 to cease divestment, reinvest, or remain invested in companies  
5 having scrutinized active business operations. This act does  
6 not apply to reinvestment in companies on the grounds that  
7 they have ceased to have scrutinized active business  
8 operations.

9 (9) ENFORCEMENT.--The Attorney General shall enforce  
10 the provisions of this act and may bring any necessary actions  
11 in court through any lawful designee.

12 Section 2. If any provision of this act or its  
13 application to any person or circumstance is held invalid, the  
14 invalidity does not affect other provisions or applications of  
15 the act which can be given effect without the invalid  
16 provision or application, and to this end the provisions of  
17 this act are severable.

18 Section 3. This act shall take effect upon becoming a  
19 law.

\*\*\*\*\*

SENATE SUMMARY

1  
2  
3 Requires the State Board of Administration to identify  
4 all companies doing certain types of business in or with  
5 Sudan in which the public moneys are invested. Requires  
6 the board to create and maintain a Scrutinized Company  
7 List that names all such companies. Requires the board to  
8 periodically contact all scrutinized companies and  
9 encourage them to refrain from engaging in certain types  
10 of business in or with Sudan. Requires the board to  
11 inform scrutinized companies of their status as a  
12 scrutinized company and to ask for clarification as to  
13 the nature of each company's business activities.  
14 Provides that a company may be removed from the list  
15 under certain conditions. Provides for reintroduction of  
16 a company onto the list. Requires the board to divest  
17 itself of all publicly traded securities of a scrutinized  
18 company under certain conditions. Provides exceptions to  
19 the divestment requirement. Prohibits the board from  
20 acquiring securities of certain scrutinized companies.  
21 Provides exceptions to the investment prohibition.  
22 Provides an additional exception from the divestment  
23 requirement and the investment prohibition to certain  
24 indirect holdings in actively managed investment funds.  
25 Requires the board to request that the managers of such  
26 investment funds consider removing scrutinized companies  
27 from the fund or create a similar fund that excludes such  
28 companies. Requires the board to file a report to the  
29 Governor, Legislature, and Attorney General within a  
30 specified period after creation of the Scrutinized  
31 Company List. Requires the annual filing of an updated  
report. Requires that all such reports be made available  
to the public. Requires that the report include certain  
information. Provides for the expiration of the act.  
Exempts the board from certain statutory or common law  
obligations. Authorizes the board to cease divesting or  
to reinvest in certain scrutinized companies if the value  
for all assets under management by the board becomes  
equal to or less than a specified amount. Requires the  
board to file a written report to the Governor,  
Legislature, and Attorney General prior to such  
reinvestment. Requires that the report contain certain  
information. Requires semiannual updates to such a report  
when applicable. Requires the Attorney General to enforce  
the divestment requirements and investment prohibitions.  
Authorizes the Attorney General to bring enforcement  
actions in court through any lawful designee.