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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/13/2023	.	
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The Committee on Appropriations (Hooper) recommended the following:

Senate Amendment to Amendment (356102)

Delete lines 104 - 174

and insert:

this paragraph immediately applies, and the public fund shall send a written notice to the company. The company shall also be immediately reintroduced onto the Scrutinized Companies that Boycott Israel List, as applicable.

(c) ~~(b)~~ Prohibition.—The public fund is prohibited from acquiring ~~may not acquire~~ securities of companies on the



11 Scrutinized Companies that Boycott Israel List, except as
12 provided in paragraph (d)~~(e)~~ and subsection (6).

13 (d)~~(e)~~ *Excluded securities.*—Notwithstanding the provisions
14 of this section, paragraph (c)~~(b)~~ does not apply to:

15 1. Indirect holdings. However, the public fund shall submit
16 letters to the managers of such investment funds containing
17 companies that boycott Israel requesting that they consider
18 removing such companies from the fund or create a similar fund
19 having indirect holdings devoid of such companies. If the
20 manager creates a similar fund, the public fund shall replace
21 all applicable investments with investments in the similar fund
22 in an expedited timeframe consistent with prudent investing
23 standards. For the purposes of this section, an alternative
24 investment, as the term is defined in s. 215.4401, and
25 securities that are not publicly traded are deemed to be
26 indirect holdings.

27 2. Exchange-traded funds.

28 (4) REPORTING.—

29 (a) The public fund shall file a report with each member of
30 the Board of Trustees of the State Board of Administration, the
31 President of the Senate, and the Speaker of the House of
32 Representatives which includes the Scrutinized Companies that
33 Boycott Israel List within 30 days after the list is created.
34 This report shall be made available to the public.

35 (b) At each quarterly meeting of the Board of Trustees
36 thereafter, the public fund shall file a report, which shall be
37 made available to the public and to each member of the Board of
38 Trustees of the State Board of Administration, the President of
39 the Senate, and the Speaker of the House of Representatives,



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40 which includes:

41 1. A summary of correspondence with companies engaged by
42 the public fund under subsection (3) subparagraph (3) (a) 2.;

43 2. All investments sold, redeemed, divested, or withdrawn
44 in compliance with paragraph (3) (b).

45 3. All prohibited investments under paragraph (3) (c) (b);

46 4. ~~3.~~ Any progress made under paragraph (3) (d) (e); and

47 5. ~~4.~~ A list of all publicly traded securities held
48 directly by the public fund.

49 (5) INVESTMENT POLICY STATEMENT OBLIGATIONS.—The public
50 fund's actions taken in compliance with this section, including
51 all good faith determinations regarding companies as required by
52 this act, shall be adopted and incorporated into the public
53 fund's investment policy statement as provided in s. 215.475.

54 (6) INVESTMENT AND REINVESTMENT IN CERTAIN SCRUTINIZED
55 COMPANIES.—Notwithstanding any other provision of this section,
56 the public fund may invest in, cease divestment from, or
57 reinvest in, certain scrutinized companies if clear and
58 convincing evidence shows that the value of all assets under
59 management by the public fund becomes equal to or less than
60 99.50 percent, or 50 basis points, of the hypothetical value of
61 all assets under management by the public fund, assuming no
62 investment prohibition or divestment for any company had
63 occurred under subsection (3) paragraph (3) (b). Cessation of the
64 investment prohibition or divestment, reinvestment, or ~~and~~ any
65 new investment in a scrutinized company is limited to the
66 minimum steps necessary to avoid the contingency described in
67 this subsection. For any cessation of the investment prohibition
68 or divestment, reinvestment, or ~~and~~ new investment authorized by



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69 this subsection, the public fund shall provide a written report
70 to each member of the Board of Trustees of the State Board of
71 Administration, the President of the Senate, and the Speaker of
72 the House of Representatives in advance of the cessation of
73 investment prohibition or divestment, reinvestment, or new
74 investment, updated semiannually thereafter as applicable,
75 setting forth the reasons and justification, supported by clear
76 and convincing evidence, for its decisions to cease the
77 investment prohibition or divestment, or to reinvest in
78 scrutinized companies.