

MAINE STATE LEGISLATURE

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R.S.

L.D. 1934

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Date: 3-31-08

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STATE OF MAINE
SENATE
123RD LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 745,
L.D. 1934, Bill, "An Act To Require the State To Divest Itself of Funds from Companies
Doing Business with Iran"

Amend the amendment by striking out everything after the title and before the
summary and inserting the following:

'Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 5 MRSA §1957 is enacted to read:

§1957. Iran

1. Divestment. The Board of Trustees of the Maine Public Employees Retirement System shall review the extent to which the assets of any state pension or annuity fund are invested in any stocks or other securities of any corporation or company, or any subsidiary, affiliate or parent of any corporation or company, that has made an investment that contributes to the development of the petroleum or natural gas resources of the Islamic Republic of Iran in an amount that totals more than \$20,000,000 since August 5, 1996 and that has not terminated its business operations in, or contractual relations with, the Islamic Republic of Iran or its instrumentalities as of the effective date of this Act. Except as provided in subsection 2, the Board of Trustees of the Maine Public Employees Retirement System shall, in accordance with sound investment criteria and consistent with the board's fiduciary obligations, divest any such stocks or other securities and may not invest any assets in any such stocks or other securities. Divestment pursuant to this subsection must be complete by January 1, 2010.

2. Exemption. Short-term investment funds that commingle commercial paper or futures and other commingled investment or index funds are exempt from the restrictions imposed by this section.

3. Report. The Board of Trustees of the Maine Public Employees Retirement System shall report to the joint standing committee of the Legislature having jurisdiction over labor matters by January 1, 2009 and each January 1st thereafter regarding the progress of divestment and the implementation of this section.

SENATE AMENDMENT

R. O. S.

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 745, L.D. 1934

1 4. Contingent repeal. This section is repealed upon the occurrence of either of the
2 following:

3 A. The Congress or the President of the United States affirmatively and
4 unambiguously states, by means including, but not limited to, legislation, executive
5 order or written certification from the President to Congress, that mandatory
6 divestment of the type provided for in this Act interferes with the conduct of United
7 States foreign policy; or

8 B. The Congress or the President of the United States affirmatively and
9 unambiguously states, by means including, but not limited to, legislation, executive
10 order or written certification from the President to Congress, that the government of
11 the Islamic Republic or Iran has ceased to pursue the acquisition of weapons of mass
12 destruction and has ceased to support international terrorism.' '

13 **SUMMARY**

14 This amendment narrows the requirement of divestiture contained in the bill, as
15 amended by Committee Amendment "A." Under this amendment, the Board of Trustees
16 of the Maine Public Employees Retirement System is required to divest itself of holdings
17 in investments that contribute to the development of petroleum or natural gas resources of
18 the Islamic Republic of Iran in an amount that totals more than \$20,000,000 since
19 Augusta 5, 1996. This amendment also adds a contingent repeal to the legislation.

20 **SPONSORED BY:** 

21 (Senator STRIMLING)

22 **COUNTY: Cumberland**