

# Senate Bill 470

Sponsored by Senator ATKINSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Oregon Investment Council and State Treasurer to try to ensure that certain investment funds are not invested in company doing business in Iran. Sets standard for investment and reinvestment of funds.

Directs Oregon Investment Council and State Treasurer to investigate companies in which council has invested certain investment funds to determine whether companies are doing business in Iran. Directs State Treasurer to notify company that council will withdraw funds invested in company if company does business in Iran.

Exempts investments in humanitarian companies, companies authorized by federal government to do business in Iran and journalism companies.

Requires annual reports by State Treasurer to Legislative Assembly on implementation of Act.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to investments of public funds; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 2 to 6 of this 2009 Act are added to and made a part of ORS 293.701**  
5 **to 293.820.**

6 **SECTION 2. As used in sections 2 to 6 of this 2009 Act:**

7 (1) **“Company” means any sole proprietorship, organization, firm, association, corpo-**  
8 **ration, utility, partnership, venture, public franchise, franchisor, franchisee or its wholly**  
9 **owned subsidiary that exists for profit-making purposes or otherwise to secure economic**  
10 **advantage.**

11 (2) **“Doing business” means maintaining equipment, facilities, personnel or any other**  
12 **apparatus of business or commerce, including the ownership or possession of real or personal**  
13 **property.**

14 (3) **“Investment” or “invest” means the commitment of funds or other assets to a com-**  
15 **pany, including a loan or other extension of credit made to that company, or the ownership**  
16 **or control of a share or interest in that company or of a bond or other debt instrument is-**  
17 **sued by that company.**

18 (4) **“Iran” means the Islamic Republic of Iran.**

19 (5) **“Subject investment funds” means:**

20 (a) **The Public Employees Retirement Fund referred to in ORS 238.660;**

21 (b) **The Industrial Accident Fund referred to in ORS 656.632;**

22 (c) **The Common School Fund referred to in ORS 327.405;**

23 (d) **The Oregon War Veterans’ Fund referred to in ORS 407.495; and**

24 (e) **Investment funds of the State Board of Higher Education available for investment or**  
25 **reinvestment by the Oregon Investment Council.**

26 **SECTION 3. (1) The Oregon Investment Council and the State Treasurer, in the State**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 **Treasurer's role as investment officer for the council, shall act reasonably and in a manner**  
 2 **consistent with ORS 293.721 and 293.726 to try to ensure that subject investment funds are**  
 3 **not invested in any company that the council knows is doing business in Iran or is owned**  
 4 **or controlled by the government of Iran.**

5 **(2) Divestment and reinvestment of subject investment funds under the provisions of this**  
 6 **section shall be accomplished by the Oregon Investment Council and the State Treasurer,**  
 7 **without monetary loss to the funds, through reasonable, prudent and productive investments**  
 8 **in companies and institutions generating returns that are comparable to the returns gener-**  
 9 **ated by the companies subject to the divestment.**

10 **SECTION 4. (1) The Oregon Investment Council and the State Treasurer, in the State**  
 11 **Treasurer's role as investment officer for the council, shall make reasonable efforts to in-**  
 12 **vestigate all companies in which the council has invested subject investment funds to de-**  
 13 **termine whether any of those companies are doing business in Iran or are owned or**  
 14 **controlled by the government of Iran.**

15 **(2) If the State Treasurer determines that a company is doing business in Iran or is**  
 16 **owned or controlled by the government of Iran, the State Treasurer shall give notice to the**  
 17 **company that the council will withdraw subject investment funds that are invested in the**  
 18 **company as provided in section 3 of this 2009 Act for as long as the company does business**  
 19 **in Iran or is owned or controlled by the government of Iran.**

20 **SECTION 5. Sections 3 and 4 of this 2009 Act do not apply to:**

21 **(1) Investments in companies that are engaged solely in the provision of goods and ser-**  
 22 **vices intended to relieve human suffering or to promote welfare, health, education or reli-**  
 23 **gious or spiritual activities;**

24 **(2) Investments in United States companies that are authorized by the federal govern-**  
 25 **ment to do business in Iran; or**

26 **(3) Investments in companies that are engaged solely in journalistic activities.**

27 **SECTION 6. On or before January 15 of each year, the State Treasurer shall report to**  
 28 **the Legislative Assembly in the manner provided by ORS 192.245 on actions taken by the**  
 29 **State Treasurer and the Oregon Investment Council pursuant to the provisions of sections**  
 30 **2 to 6 of this 2009 Act. The State Treasurer shall consult with the council in preparing re-**  
 31 **ports under this section.**

32 **SECTION 7. This 2009 Act being necessary for the immediate preservation of the public**  
 33 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
 34 **on its passage.**