

Legislative History

- 1986 Chapter 1254 (AB 134, Waters) – Prohibits the use of state trust funds or state moneys to make additional or new investments, or to renew existing investments in firms doing business with or in South Africa as of January 1, 1987. *CalPERS Position: Neutral*
- 1992 Chapter 1351 (AB 2251, Margolin) – Prohibits state trust fund and state money investments in business firms or financial institutions that engage in discriminatory business practices after January 1, 1994 relating to the Arab League’s economic boycott of Israel. *CalPERS’ Position: Oppose*
- 2000 AB 107 (Knox) – Prohibits CalPERS and CalSTRS from making new or additional investments in tobacco companies beginning January 1, 2001, and requires divestment of existing investments by July 1, 2002. Present and former Board members, officers, employees, and contracted investment managers will be indemnified by the State General Fund from all claims, demands, suits, actions, etc., incurred as a result of the required divestment. Failed Passage. *CalPERS Position: Oppose*
- 2006 Chapter 442 (AB 2941, Koretz) – Prohibits CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in the Sudan, that meet specified criteria, and would require the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments. *CalPERS Position: Neutral, with suggested amendments.*
- 2007 Chapter 671 (AB 221, Anderson) – Prohibits CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in Iran that meets the following criteria: is invested in, or is engaged in, business operations with entities in the defense or nuclear sectors of Iran, or invested or engaged in the development of petroleum or natural gas resources of Iran and that company is subject to sanctions by the Federal Government; or in a company engaged in business operations with an Iranian Organization that has been labeled a terrorist organization by the US Government. It also requires the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments. *CalPERS Position: Oppose.*
- 2013 AB 761 (Dickenson) – Prohibits CalPERS and CalSTRS from investing in companies that manufacture firearms or ammunition for a recipient other than the United States military, and requires the sale or transfer of any existing investments in these companies. Further, this bill requires the governing board of each retirement system to report to the Legislature any investments in these

specified firearms and ammunition manufacturers, and the sale or transfer of those investments, subject to their fiduciary duty, by January 1, 2015, and every year thereafter. Failed Passage. *CalPERS Position: Oppose.*

SR 18 (Leno) – Declares the California State Senate’s condemnation of the Russian government’s attacks on the LGBT community and enactment of laws targeting them and their supporters. Among other things, it encourages CalPERS and CalSTRS, whenever feasible and consistent with their fiduciary responsibilities, to cease making direct investments in Russia and to encourage companies in which employee retirement funds are invested and that are doing business in Russia, to refrain from actions that promote or otherwise enable human rights violations in Russia. Adopted by the State Senate on September 10, 2013. *CalPERS Position: None.*

2015 AB 1410 (Nazarian) – Prohibits CalPERS and CalSTRS from investing retirement funds in any investment vehicle owned, controlled, managed, or issued by the government of Turkey, as defined. Specifically, it requires the governing Board of each respective System to identify portfolio assets subject to engagement and divestment by June 30, 2016, to transfer or sell any assets within specific timeframes, and report to the Legislature regarding its actions. *CalPERS Position: Pending.*