

Legislative History

- 2016 AB 1551 (Allen) – Requires California public retirement funds, on or after January 1, 2017, to make no additional investments or renew existing investments in business firms or financial institutions that engage in business practices in furtherance of the boycott of Israel. This prohibition would not apply to any business firm or financial institution that adopts a resolution stating that they will not engage in any business activity in furtherance of the boycott against Israel. Failed passage
- AB 2283 (Calderon) – Requires CalPERS and CalSTRS to cease making new or additional investments in single-family home rental properties located in California that are aggregated with other properties to produce income that funds publicly traded investment products on or after January 1, 2017, and to liquidate existing holdings in any such securitized home rental properties on or before January 1, 2018. Failed passage
- AB 2650 (Nazarian) – Prohibits CalPERS and CalSTRS from investing retirement funds in any investment vehicle issued, owned, controlled, or managed by the government of Turkey, as defined. Specifically, it requires the governing Board of each respective System to constructively engage the government of Turkey to accept responsibility for the Armenian genocide of 1915 and, if not successful, then to liquidate assets subject to divestment by January 1, 2018, and to report to the Legislature regarding its actions by January 1, 2019. Failed passage
- 2015 Chapter 605 (SB 185, De Leon) -- Requires CalPERS and CalSTRS to constructively engage in publicly traded coal companies that generate 50 percent or more of their revenue from mining thermal coal. If following engagement, a company is not transitioning its business model to adapt to clean energy generation, it requires CalPERS to sell or transfer any investments in that company, and report to the Legislature and the Governor regarding these investments within specific timeframes. It does not require divestment if CalPERS determines, in good faith, the action would not be consistent with its fiduciary responsibilities. This bill also requires a report on the feasibility of divesting from additional fossil fuel investments such as natural gas and petroleum. *CalPERS Position: No Position.*
- 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. The provisions of this act are considered severable. If any provisions are deemed invalid, the remaining provisions remain in effect. This bill 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: 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.*
- 1992 Chapter 1351 (AB 2251, Margolin) – Prohibited 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*
- 1986 Chapter 1254 (AB 134, Waters) – Prohibited 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*