

**HB 1086, PN 4039: Amendment A09123 (Senator Armstrong):**

- Removes Findings and Declarations
- Provides that the requirement for divestment also applies to the Pennsylvania Municipal Retirement System (PMRS) (in addition to the Treasurer, the State Employees' Retirement System and the Public School Employees' Retirement System).
- Revises definition of "direct holdings" as "all securities of a company that are held directly by the public fund." (Deletes "or in an account or fund in which the public fund owns all shares and interests.")
- Only applies to direct holdings (not indirect). Deletes all references to indirect holdings throughout the bill.
- Replaces definition of "oil-related activities". "Oil-related activities" are defined as including all of the following:
  - 1) Development of petroleum or natural gas resources of Iran or Sudan. This paragraph does not include the mere sale of gasoline and related consumer products.
  - 2) Owning rights to oil or natural gas blocks.
  - 3) Exporting, extracting, producing, refining, processing, exploring for, transporting, selling or trading oil or natural gas.
  - 4) Constructing, maintaining or operating any pipeline, refinery, liquefaction facility or other oil or natural gas infrastructure.
  - 5) Facilitating activities referred to in paragraph (1), (2), (3) or (4), including by supplying services in support of the activities.
- Revises definition of "scrutinized company". Section (1) of that definition is revised as: Any foreign company that has:
  - i. invested at least \$20,000,000 in the development of the petroleum or natural gas resources of Iran in any 12-month period since August 5, 1996;
  - ii. supplied military equipment to the government of Iran within the 12-month period prior to the effective date of this section; or
  - iii. knowingly and intentionally violated the United States Export controls with respect to Iran during the 12-month period prior to the effective date of this section.
- Gives 24 months for public funds to divest or withdraw from its direct holdings all securities of the company (instead of 15 months, as in HB 1086, PN 4039) if, after 90 days following the effective date of receipt of the notice, a company has not announced by public disclosure substantial action specific to Iran, substantial action specific to Sudan or both as specified in the notice, or the public fund determine or becomes aware that the company continues to have scrutinized business activities.
- Provides for funds to identify "scrutinized companies" within 90 days (instead of 30 days, as in HB 1086, PN 4039).
- Reimbursement to public funds: changes the time period to "within 30 days" for reimbursement to the public fund for any losses (instead of "promptly," as in HB 1086 PN 4039). Also, removes language pertaining to the accrual of net gains as a result of compliance with this act and the offset of the net gains against the costs and expenses of compliance with this act.
- Makes minor technical corrections