

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO PUBLIC FINANCE - IDENTIFICATION OF STATE PENSION FUNDS  
WITH MILITARY CONTRACTORS

Introduced By: Senators Mack, Anderson, Calkin, Acosta, Miller, Mendes, and Kallman

Date Introduced: March 10, 2022

Referred To: Senate Finance

(General Treasurer)

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 35 of the General Laws entitled "PUBLIC FINANCE" is hereby  
2 amended by adding thereto the following chapter:

3 CHAPTER 10.4

4 IDENTIFICATION OF STATE PENSION FUNDS WITH MILITARY CONTRACTORS

5 **35-10.4-1. Short title.**

6 This chapter shall be known and may be cited as the "Identification of State Pension Funds  
7 with Military Contractors Act".

8 **35-10.4-2. Definitions.**

9 As used in this chapter, the following words and terms shall have the following meanings  
10 unless the context shall clearly indicate another or different meaning or intent:

11 (1) "Commission" means the state investment commission that oversees the assets of the  
12 employees' retirement system of Rhode Island pursuant to chapter 10 of title 35.

13 (2) "Company" means a sole proprietorship, organization, association, corporation,  
14 partnership, joint venture, limited partnership, limited liability partnership, limited liability  
15 company or other entity or business association, including all wholly-owned subsidiaries, majority-  
16 owned subsidiaries, parent companies or affiliates of such entities or business associations that exist  
17 for profit-making purposes.

18 (3) "Direct holdings" means all securities of a company held directly by the public fund or

1 in an account or fund in which the public fund owns all shares or interests.

2 (4) "Indirect holdings" means all securities of a company held in an account or fund, such  
3 as a mutual fund or hedge fund managed by one or more person not employed by the public fund,  
4 in which the public fund owns shares or interests together with other investors not subject to this  
5 chapter.

6 (5) "Military contractors" or "military weapon manufacturers" means arms producing  
7 companies, defense contractors or military industries that primarily produce, maintain and store  
8 weapons for the armed forces of nation states or non-state entities. Products include guns,  
9 ammunition, missiles, military aircraft, military vehicles, and military ships.

10 (6) "Pension fund" means the pooled investment fund consisting of the assets of the state  
11 employees' and teachers' retirement systems, as well as the assets of local retirement systems under  
12 the control of the state.

13 **35-10.4-3. Identification of military weapon manufacturers.**

14 Within six (6) months of enactment of this chapter, the commission shall identify all  
15 military weapon manufacturers where the pension fund owns direct or indirect holdings and shall  
16 file a list of any such holdings with the office of attorney general, the house of representatives and  
17 the senate.

18 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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- 1           This act would require the state investment commission to identify pension fund
- 2 investments in military weapon manufacturers whether held directly and indirectly.
- 3           This act would take effect upon passage.

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