

2012 -- S 3061

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO PUBLIC FINANCES -- STATE INVESTMENTS--NORTHERN IRELAND

Introduced By: Senator Maryellen Goodwin

Date Introduced: June 08, 2012

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 35-10-14 of the General Laws in Chapter 35-10 entitled "State  
2 Investment Commission" is hereby amended to read as follows:

3           **35-10-14. Investment in corporations doing business in Northern Ireland.** -- (a)

4 Notwithstanding any general or special law or regulation to the contrary, the general treasurer,  
5 acting as the treasurer/custodian of the state employees' retirement system and the teachers'  
6 retirement system, and as the chairperson of the state investment commission, is authorized and  
7 directed to monitor, by reference to reports of the investor responsibility research center or such  
8 other sources as he or she may deem useful and appropriate, the extent to which corporations  
9 organized under the laws of the United States or the several states and operating in Northern  
10 Ireland, in which the assets of the retirement systems or of the pension reserves investment trust  
11 fund are invested, adhere to principals of nondiscrimination in employment and freedom of  
12 workplace opportunity. In conducting the survey, the general treasurer may utilize any  
13 information presently available relative to similar pension plans. In making this determination,  
14 the general treasurer shall consider, without limitation, the following standards for corporate  
15 activity:

16           (1) Equal access to employment, promotion, and job-preservation without regard to  
17 religious affiliation or other minority status;

18           (2) The promotion of religious tolerance within the workplace, and the eradication of any  
19 manifestations of religious and other illegal discrimination;

1 (3) Adherence to other legal and regulatory guidelines for nondiscrimination and  
2 equality of opportunity existing in Northern Ireland; and

3 (4) Adherence to the MacBride Principles for Northern Ireland, so-called.

4 (b) The general treasurer shall set forth the results of the investigation by filing a report  
5 for the preceding calendar year with the clerks of the house of representatives and of the senate  
6 not later than ~~December 31~~ April 15 of each year. The report shall include, ~~but not be limited to,~~  
7 ~~the names and addresses of all United States corporations operating in Northern Ireland in which~~  
8 ~~the assets of the retirement systems or trust fund are invested, and the findings of the general~~  
9 ~~treasurer relative to these corporations' adherence to the standards for corporate activity as set~~  
10 ~~forth in subsection (a)~~ the findings of the general treasurer relative to the adherence to the  
11 standards for corporate activity as set forth in subsection (a) for all United States corporations  
12 operating in Northern Ireland in which the assets of the retirement systems or trust fund are  
13 invested. The general treasurer shall also report his or her recommendations, if any, consistent  
14 with prudent fiduciary practice, based upon the findings of the investigation. The report shall be  
15 available for public inspection in the offices of the clerks of the house of representatives and of  
16 the senate, and in the office of the general treasurer.

17 (c) The general treasurer, subject to the approval of the commission, shall, where  
18 necessary, appropriate, and consistent with prudent standards for fiduciary practice, support  
19 shareholder petitions or initiatives requiring corporate action in compliance with the standards for  
20 nondiscrimination set forth in this section.

21 (d) It is not the intent of this section to diminish the present portfolio and it is not the  
22 intent of this section to injure the fragile economy of Northern Ireland. The general treasurer, in  
23 accordance with sound investment criteria, is encouraged to make future pension fund  
24 investments in United States firms which conduct business in Northern Ireland and which abide  
25 by the MacBride Principles of fair employment. Should all or any of the United States firms in  
26 which Rhode Island state pension funds are invested refuse to comply with the MacBride  
27 Principles, the general treasurer, in accordance with sound investment criteria, does have the  
28 option and is encouraged to remove these funds and invest them in United States firms which  
29 conduct business in Northern Ireland and which abide by the MacBride Principles of fair  
30 employment.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO PUBLIC FINANCES -- STATE INVESTMENTS--NORTHERN IRELAND

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1           This act would change the reporting date for the treasurer's report on Northern Ireland  
2 investments from December 31 to April 15 of each year. It would also reduce the amount of  
3 information required in the report.

4           This act would take effect upon passage.

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