

HCS HB 2357 -- PUBLIC RETIREMENT PLAN INVESTMENTS IN FOREIGN COMPANIES

SPONSOR: Day (Smith, 150)

COMMITTEE ACTION: Voted "do pass" by the Committee on Veterans by a vote of 11 to 0.

This substitute requires any asset manager who invests in international equities of publicly-traded foreign companies on behalf of any retirement system established by the State of Missouri or any political subdivision to attest semiannually in a written statement to the respective retirement board that the manager does not hold on behalf of the plan the stock of any foreign company that, according to a reputable independent research provider specializing in global security risk assessment, has active business ties to any country designated by the United States Department of State as a state sponsor of terrorism that is nonhumanitarian in nature.

The provisions of the substitute will expire with respect to each individual country if the President of the United States affirmatively and unambiguously states by means of, but not limited to, enacted legislation, executive order, or written certification that the United States Department of State no longer recognizes the country as a state sponsor of terrorism.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.

PROPOSERS: Supporters say that the bill prohibits our retirement investments from supporting terrorism. No one wants his or her retirement funds to be used by a foreign government which is unfriendly to the United States.

Testifying for the bill were Representative Smith (150); and Missouri Veterans Commission.

OPPOSERS: There was no opposition voiced to the committee.