

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING BOARD OF INVESTMENT LAWS; LIMITING STATE  
5 INVESTMENT IN FOREIGN ADVERSARIES; AND MANDATING DIVESTMENT FROM FOREIGN  
6 ADVERSARIES."

7  
8 WHEREAS, it is not in Montana's interest to invest in military adversaries' offensive capacities; and  
9 WHEREAS, it is inconceivable we would invest our retirement contributions in those that will oppose  
10 America on the field of battle; and

11 WHEREAS, it is important to invest in the Montana economy; and

12 WHEREAS, it is important that Montana take a leadership role in not investing in companies that  
13 habitually commit human rights violations; and

14 WHEREAS, Montana should invest only in companies in which a thorough scrutiny has been  
15 completed; and

16 WHEREAS, owning shares in companies that are not in the above groups but own companies that are  
17 is just as wrong regardless of the profit motive; and

18 WHEREAS, Montana owns shares in over 1,100 of these companies; and

19 WHEREAS, Montana has invested over \$112 million in these companies; and

20 WHEREAS, Montana is currently invested in China National Nuclear, which refines the nuclear material  
21 that makes the atomic bombs sitting atop China's ICBM missiles aimed at the United States.

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23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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25 NEW SECTION. **Section 1. Foreign adversary noninvestment and divestment.** (1) The board may  
26 not invest in any security listed on an exchange in a jurisdiction in which the public company accounting  
27 oversight board:

28 (a) has not conducted an inspection of a registered public accounting firm required by federal law;

1 and

2 (b) is prevented from conducting an inspection required by federal law because of a law or policy of  
3 an authority in the jurisdiction.

4 (2) The board shall consult with the securities and exchange commission on a biennial basis in order  
5 to ensure compliance with subsection (1).

6 (3) The board shall divest from securities in which investment is precluded by subsection (1):

7 (a) when divestment can be achieved without a loss of capital or revenue; or

8 (b) whenever prudent.

9 (4) The board may not invest in an entity sanctioned by the United States department of defense or  
10 department of state, and shall divest from this type of entity:

11 (a) when divestment can be achieved without a loss of capital or revenue; or

12 (b) whenever prudent or required by law.

13 (5) As used in this section, the following definitions apply:

14 (a) "Board" means the Montana board of investments.

15 (b) "Registered public accounting firm" has the meaning provided in 15 U.S.C. 7201, as of December  
16 23, 2020.

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18 **NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an  
19 integral part of Title 17, chapter 6, part 2, and the provisions of Title 17, chapter 6, part 2, apply to [section 1].

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