

SENATE BILL NO. 329

INTRODUCED BY B. MOLNAR

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

WHEREAS, it is not in Montana's interest to invest in military adversaries' offensive capacities; and

WHEREAS, it is inconceivable we would invest our retirement contributions in those that will oppose America on the field of battle; and

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

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

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

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

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

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

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

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

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

(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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