

REFERENCE TITLE: Iran; investments; prohibition

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
2008

SB 1411

Introduced by
Senator Verschoor

AN ACT

AMENDING TITLE 35, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7;
RELATING TO GOVERNMENT INVESTMENTS IN IRAN.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 35, chapter 2, Arizona Revised Statutes, is amended
3 by adding article 7, to read:

4 ARTICLE 7. IRAN INVESTMENTS

5 35-391. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "BUSINESS TIES" MEANS OWNING OR CONTROLLING PROPERTY OR ASSETS
8 LOCATED IN, HAVING EMPLOYEES OR FACILITIES LOCATED IN, PROVIDING GOODS OR
9 SERVICES TO, OBTAINING GOODS OR SERVICES FROM, HAVING DISTRIBUTION AGREEMENTS
10 WITH, ISSUING CREDIT OR LOANS TO, PURCHASING BONDS OR COMMERCIAL PAPER FROM
11 OR INVESTING IN OR HAVING EQUITY TIES TO IRAN OR ANY COMPANY OR ITS
12 AFFILIATES DOMICILED IN IRAN.

13 2. "COMPANY" MEANS AN ENTITY CAPABLE OF AFFECTING COMMERCE, INCLUDING
14 A GOVERNMENT, GOVERNMENT AGENCY, NATURAL PERSON, LEGAL PERSON, SOLE
15 PROPRIETORSHIP, PARTNERSHIP, FIRM, CORPORATION, SUBSIDIARY, AFFILIATE,
16 FRANCHISOR, FRANCHISEE, JOINT VENTURE, TRADE ASSOCIATION, FINANCIAL
17 INSTITUTION, UTILITY, PUBLIC FRANCHISE, PROVIDER OF FINANCIAL SERVICES, TRUST
18 OR ENTERPRISE.

19 3. "GLOBAL SECURITY RISK COMPANY" MEANS ANY FOREIGN COMPANY THAT HAS
20 ACTIVE OR CURRENT BUSINESS TIES IN OR WITH IRAN.

21 4. "INDEPENDENT THIRD-PARTY RESEARCH FIRM" MEANS A PRIVATE UNITED
22 STATES BUSINESS THAT SPECIALIZES IN IDENTIFYING AND ASSESSING GLOBAL SECURITY
23 RISK COMPANIES, THAT HAS BEEN IN BUSINESS FOR AT LEAST THE CURRENT AND
24 PREVIOUS CALENDAR YEAR AND THAT DOES NOT HAVE A POTENTIAL FOR CONFLICT OF
25 INTEREST WITH A PUBLIC INVESTOR FROM INVESTMENT AND FINANCE ACTIVITIES.

26 5. "IRAN" MEANS THE ISLAMIC REPUBLIC OF IRAN.

27 6. "PUBLIC INVESTOR" MEANS THE ARIZONA STATE RETIREMENT SYSTEM
28 ESTABLISHED BY TITLE 38, CHAPTER 5, ARTICLE 2, THE ELECTED OFFICIALS'
29 RETIREMENT PLAN ESTABLISHED BY TITLE 38, CHAPTER 5, ARTICLE 3, THE PUBLIC
30 SAFETY PERSONNEL RETIREMENT SYSTEM ESTABLISHED BY TITLE 38, CHAPTER 5,
31 ARTICLE 4, THE CORRECTIONS OFFICER RETIREMENT PLAN ESTABLISHED BY TITLE 38,
32 CHAPTER 5, ARTICLE 6 AND THE STATE TREASURER INVESTMENTS AUTHORIZED BY
33 ARTICLE 2 OF THIS CHAPTER.

34 35-392. Public investor equity holdings; global security risk;
35 prohibition; exclusions

36 A. ALL INTERNATIONAL EQUITY HOLDINGS OF A PUBLIC INVESTOR SHALL
37 EXCLUDE GLOBAL SECURITY RISK COMPANIES.

38 B. COMPANIES THAT ARE CERTIFIED BY AN INDEPENDENT THIRD-PARTY RESEARCH
39 FIRM TO ENGAGE ONLY IN THE PROVISION OF GOODS AND SERVICES THAT RELIEVE HUMAN
40 SUFFERING OR PROMOTE HEALTH OR RELIGIOUS, SPIRITUAL, EDUCATIONAL,
41 HUMANITARIAN OR JOURNALISTIC ACTIVITIES IN IRAN ARE EXEMPT FROM THE
42 DIVESTMENT AND EXCLUSION PROVISIONS OF SUBSECTION A.

