

### Legislative History

2021 AB 1019 (Holden) – Would prohibit state trust funds, as defined, from making additional or new investments or renewing existing investments in investment vehicles issued or owned by the government of Turkey unless the government of Turkey acknowledges the Armenian Genocide and begins to afford justice to its victims.

*CalPERS Position: None*

2020 AB 2780 (Holden) – Would have required public employee retirement systems to divest from any investment vehicle issued or owned by the government of Turkey or the government of Azerbaijan, upon the passage of a federal law imposing sanctions on the government of Turkey and the government of Azerbaijan for their economic blockade of Armenia. *CalPERS Position: None*

2019 Chapter 459 (AB 1320, Nazarian) – Requires CalPERS and CalSTRS to divest from any investment vehicle in Turkey that is owned by the government of Turkey, upon the passage of a federal law imposing sanctions on the government of Turkey for failure to acknowledge the Armenian Genocide, as specified. *CalPERS Position: Oppose*

AB 33 (Bonta) – Would have required CalPERS and CalSTRS to cease making any new or additional investments in publicly issued stock, corporate bonds, or other debt instruments in any private prison company, defined as a “company that generates the majority of its revenue from operating, managing, or contracting as a prison or detention center.” It would have further required that CalPERS and CalSTRS constructively engage with each private prison company “to establish if the company is transitioning its business model to another industry,” and for those companies that do not transition, CalPERS and CalSTRS would have been required to liquidate existing investments on or before July 1, 2020, subject to the fiduciary duty of the Boards.

*CalPERS Position: Oppose*

2018 AB 1597 (Nazarian) – Would have required CalPERS and CalSTRS to divest from any investment vehicle in Turkey that is issued, owned, controlled, or managed by the government of Turkey, upon the passage of a federal law imposing sanctions on the government of Turkey for failure to acknowledge the Armenian Genocide, as specified.

*CalPERS Position: Oppose*

SB 459 (Portantino) – Would have required the CalPERS Board to adopt an investment policy regarding companies that are retailers or wholesalers of weapons banned for possession or sale by the State of California on or before July 1, 2019. It also would have required the policy to specify a limited timeframe of engagement seeking the voluntary removal of these weapons from the stock of items sold by these companies; if the engagement is unsuccessful, it requires the Board to approve proxy voting against any company that failed to remove banned weapons from its stock, and; if proxy voting is not successful, requires the Board to take action to divest from the company and complete divestment by July 1, 2021. *CalPERS Position: None*

2016 AB 1551 (Allen) – Would have required California public retirement funds, on or after January 1, 2017, to make no additional investments or renew existing investments in business firms or financial institutions that engage in business practices in furtherance of the boycott of Israel. This prohibition would not have applied to any business firm or

financial institution that adopted a resolution state that they will not engage in any business activity in furtherance of the boycott against Israel. *CalPERS Position: None*

AB 2283 (Calderon) – Would have required CalPERS and CalSTRS to cease making new or additional investments in single-family home rental properties located in California that are aggregated with other properties to produce income that funds publicly traded investment products on or after January 1, 2017, and to liquidate existing holdings in any such securitized home rental properties on or before January 1, 2018. *CalPERS Position: None*

AB 2650 (Nazarian) – Would have prohibited CalPERS and CalSTRS from investing retirement funds in any investment vehicle issued, owned, controlled, or managed by the government of Turkey, as defined. Specifically, it would have required the governing Board of each respective system to constructively engage the government of Turkey to accept responsibility for the Armenian Genocide of 1915 and, if not successful, then to liquidate assets subject to divestment by January 1, 2018, and to report to the Legislature regarding its actions by January 1, 2019. *CalPERS Position: None*

- 2015 Chapter 605 (SB 185, De Leon) – Requires CalPERS and CalSTRS to constructively engage in publicly traded coal companies that generate 50 percent or more of their revenue from mining thermal coal. If following engagement, a company is not transitioning its business model to adapt to clean energy generation, it requires CalPERS to sell or transfer any investments in that company, and report to the Legislature and the Governor regarding these investments within specific timeframes. It does not require divestment if CalPERS determines, in good faith, the action would not be consistent with its fiduciary responsibilities. This bill also requires a report on the feasibility of divesting from additional fossil fuel investments such as natural gas and petroleum. *CalPERS Position: No Position*
- 2007 Chapter 671 (AB 221, Anderson) – Prohibits CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in Iran that meets the following criteria: is invested in, or is engaged in, business operations with entities in the defense or nuclear sectors of Iran, or invested or engaged in the development of petroleum or natural gas resources of Iran and that company is subject to sanctions by the federal government; or in a company engaged in business operations with an Iranian organization that has been labeled a terrorist organization by the U.S. Government. This bill requires the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments. *CalPERS Position: Oppose*
- 2006 Chapter 442 (AB 2941, Koretz) – Prohibits CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in the Sudan, that meet specified criteria, and requires the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments.  
*CalPERS Position: Neutral, with suggested amendments*