

HB 1869 -- PUBLIC RETIREMENT AND PENSION SYSTEMS DIVESTMENT FROM CHINESE ENTITIES

SPONSOR: Deaton

As specified in the bill, after August 28, 2024, the public retirement and benefit systems shall not knowingly invest in a restricted entity or a restricted investment product, as these terms are defined in the bill, and shall divest any investment that the system has on behalf of a fund, defined in the bill, including particular investments publicly confirmed to be controlled by the People's Republic of China or the Chinese Communist Party.

Before December 1, 2024, and annually on or before December first of each subsequent year, the board is required to make a good faith effort to identify all restricted entities and restricted investment products in which the system holds an investment. The bill sets forth the time period and the percentages of the divestments in a restricted entity or a restricted investment product that the board determines needs to be removed from the fund.

On or before December 31, 2024, and annually on or before December 31st of each subsequent year, the board is required to submit a report to the General Assembly including the information that is specified in the bill.

The bill grants immunity from civil liability to the State and any political subdivision; its officers, agents, and employees; and the board and employees of a system for any act or omission related to the removal of an asset from a fund and indemnifies the system for all losses, costs, and expenses as detailed in the bill.

The divestment requirements included in the bill do not apply to private market funds as detailed in the bill.