

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO S.B. 1489  
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Repeal

3 Sections 35-319, 38-716 and 38-848.02, Arizona Revised Statutes, are  
4 repealed.

5 Sec. 2. Title 35, chapter 2, Arizona Revised Statutes, is amended by  
6 adding article 7, to read:

7 ARTICLE 7. TERRORISM COUNTRY DIVESTMENTS

8 35-391. State treasurer and retirement system divestments:  
9 notices

10 A. THE STATE TREASURER, THE ARIZONA STATE RETIREMENT SYSTEM AND THE  
11 FUND MANAGER OF THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM SHALL DIVEST  
12 FROM THOSE COMPANIES THAT ARE REASONABLY KNOWN, BASED ON PUBLIC INFORMATION,  
13 TO HAVE BUSINESS ACTIVITIES IN OR WITH COUNTRIES IDENTIFIED AS THOSE  
14 COUNTRIES CURRENTLY DESIGNATED PURSUANT TO SECTION 6(j) OF THE EXPORT  
15 ADMINISTRATION ACT AS SUPPORTING INTERNATIONAL TERRORISM.

16 B. THE STATE TREASURER, THE ARIZONA STATE RETIREMENT SYSTEM AND THE  
17 FUND MANAGER SHALL NOTIFY THE GOVERNOR, THE PRESIDENT OF THE SENATE, THE  
18 SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE DIRECTOR OF THE DEPARTMENT OF  
19 ADMINISTRATION AND EACH OTHER OF ANY DIVESTMENTS AND THE REASONS FOR THE  
20 DIVESTMENTS.

21 C. WITHIN FOURTEEN DAYS AFTER RECEIPT OF THE NOTICE PURSUANT TO  
22 SUBSECTION B, THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION SHALL SEND  
23 NOTICE TO THE COMPANY INDICATING THAT THIS STATE AND ITS POLITICAL  
24 SUBDIVISIONS ARE PROHIBITED FROM PURCHASING ANY PRODUCT OR SERVICE FROM THE  
25 COMPANY UNTIL THE COMPANY IS NO LONGER IN VIOLATION OF SECTION 6(j) OF THE  
26 EXPORT ADMINISTRATION ACT.

27 D. THE PROHIBITION IN SUBSECTION C DOES NOT APPLY TO ANY EXISTING  
28 CONTRACT BUT DOES APPLY TO ANY RENEWAL OF A CONTRACT.

1           E. THIS SECTION APPLIES TO ALL AFFILIATED COMPANIES AND SUBSIDIARIES  
2 OF THE COMPANY.

3           Sec. 3. State board of investment and retirement systems;  
4                           divestment policy; report

5           A. On or before January 31, 2009, the state board of investment, the  
6 Arizona state retirement system and the fund manager of the public safety  
7 personnel retirement system shall each adopt a policy, and submit a copy of  
8 the policy to the president of the senate and the speaker of the house of  
9 representatives, for divestment from companies that have business activities  
10 in or with countries identified as those countries currently designated  
11 pursuant to section 6(j) of the export administration act as supporting  
12 international terrorism.

13           B. The report shall include:

14           1. The procedure to identify companies that are in violation of  
15 section 6(j) of the export administration act.

16           2. The process of communicating with those companies and appropriate  
17 federal officials, including this state's congressional delegation, in regard  
18 to its findings pursuant to section 35-391, Arizona Revised Statutes, as  
19 added by this act.

20           3. The process of divestment of those companies that are in violation  
21 of section 6(j) of the export administration act."

22 Amend title to conform

ROBERT "BOB" BURNS

1489tv2  
02/29/2008  
2:46 PM  
C: drt