

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Walter F. Timilty

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to pension divestment from Russia.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Walter F. Timilty</i>	<i>Norfolk, Bristol and Plymouth</i>	
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>	<i>3/1/2022</i>
<i>Jamie Zahlaway Belsito</i>	<i>4th Essex</i>	<i>3/1/2022</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>	<i>3/2/2022</i>
<i>Eric P. Lesser</i>	<i>First Hampden and Hampshire</i>	<i>3/2/2022</i>
<i>Timothy R. Whelan</i>	<i>1st Barnstable</i>	<i>3/3/2022</i>
<i>Michelle M. DuBois</i>	<i>10th Plymouth</i>	<i>3/3/2022</i>
<i>Mark C. Montigny</i>	<i>Second Bristol and Plymouth</i>	<i>3/3/2022</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>3/4/2022</i>
<i>Adam J. Scanlon</i>	<i>14th Bristol</i>	<i>3/7/2022</i>
<i>Carol A. Doherty</i>	<i>3rd Bristol</i>	<i>3/9/2022</i>

SENATE No.

By Mr. Timilty, a petition (accompanied by bill) (subject to Joint Rule 12) of Walter F. Timilty for legislation relative to pension divestment from Russia. Public Service.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act relative to pension divestment from Russia.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to divest pensions from companies engaging in business operations in Russia, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public peace.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. As used in this act the following words shall have the following meanings:-

2 “Active business operations”, all business operations that are not inactive business
3 operations.

4 “Board”, the pension reserves investment management board established pursuant to
5 section 23 of chapter 32 of the General Laws.

6 “Business operations”, engaging in commerce in any form in Russia, including by
7 acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment,
8 facilities, personnel, products, services, personal property, real property, or any other apparatus
9 of business or commerce.

10 “Company”, any sole proprietorship, organization, association, corporation, partnership,
11 joint venture, limited partnership, limited liability partnership, limited liability company, or other
12 entity or business association, including all wholly-owned subsidiaries, majority-owned
13 subsidiaries, parent companies, or affiliates of such entities or business associations that exist for
14 profit-making purposes.

15 “Direct holdings”, all securities of a company held directly by the public fund or in an
16 account or fund in which the public fund owns all shares or interests.

17 “Inactive business operations”, the continued holding or renewal of rights to property
18 previously operated for the purpose of generating revenues but not presently deployed for such
19 purpose.

20 “Indirect holdings”, all securities of a company held in an account or fund, such as a
21 mutual fund, managed by 1 or more persons not employed by the public fund, in which the
22 public fund owns shares or interests together with other investors not subject to the provisions of
23 this act.

24 “Public fund”, the Pension Reserves Investment Trust or the Pension Reserves
25 Investment Management Board in charge of managing the pooled investment fund consisting of
26 the assets of the State Employees’ and Teachers’ Retirement Systems as well as the assets of
27 local retirement systems under the control of the board.

28 SECTION 2. Within 90 days of the effective date of this act, the public fund shall make
29 its best efforts to identify all companies engaged in business operations, in which the public fund
30 has direct or indirect holdings or could possibly have such holdings in the future. The

31 identification of companies shall be the responsibility of an independent, third-party research
32 firm, as identified by the public fund, and based on the criteria set forth in this act.

33 SECTION 3. (a)(1) The public fund shall immediately determine the companies engaged
34 in business operations, in which the public fund owns direct or indirect holdings;

35 (2) The public fund shall sell, redeem, divest, or withdraw all publicly-traded securities of
36 a company identified in paragraph (1) with active business operations.

37 (3) If a company identified in paragraph (1) with only inactive business operations
38 converts such operations to active business operations, paragraph (2) will immediately apply.

39 SECTION 4. The public fund shall file a report with the clerks of the senate and the
40 house of representatives and the attorney general that includes the list of companies engaged in
41 business operations within 30 days after the list is created. Annually thereafter, the public fund
42 shall file a report to the clerks of the senate and the house of representatives and the attorney
43 general, including but not limited to, all investments sold, redeemed, divested, or withdrawn in
44 compliance with section 3.