Representative Shaw offered the following:

Substitute Amendment for Amendment (720369) (with title amendment)

Between lines 453 and 454, insert:

Section 8. Section 121.999, Florida Statutes, is created to read:

121.999 Divesting Florida Retirement Pension Fund.—
(1)(a) Effective April 1, 2019 the State board of Administration shall identify all gun manufacturing companies. In order to identify such companies, the board may:

1. Review and rely on publicly available information regarding gun manufacturers, including information provided by
nonprofit organizations, research firms, and government entities.

2. Contact asset managers contracted by the Florida Retirement System that invests in gun manufacturing companies.

3. Contact other institutional investors that have divested from or engaged with gun manufacturing companies.

4. Retain an independent research firm to identify gun manufacturing companies.

(b) The state board shall on a quarterly basis review the list of gun manufacturing companies based on evolving information.

(2) For companies included on the state board's list of gun manufacturing companies:

(a) For each newly identified company, the state board shall provide written notice to inform the company of its status and that it may be subject to divestment by the Florida Retirement System.

(b) If a company ceases activity that designates the company as a gun manufacturer, the company shall be removed from the list of restricted companies and this section shall cease to apply to the company unless it resumes such activities.

(3) The state board shall:

(a) Identify those companies on the list of gun manufacturing companies in which the Florida Retirement System owns direct or indirect holdings.
(b) Instruct its investment advisors to sell, redeem, divest, or withdraw all direct holdings of such companies from the Florida Retirement System's assets under management in an orderly and fiduciary responsible manner within 12 months after the company's most recent appearance on the list of restricted companies.

(c) Not acquire securities of such companies.

This subsection does not apply to indirect holdings or private market funds. The state board shall submit letters to the managers of those investment funds containing gun manufacturing companies requesting that they consider removing the companies from the fund or create a similar actively managed fund having indirect holdings devoid of the companies. If the manager creates a similar fund, the Florida Retirement System shall replace all applicable investments with investments in the similar fund in an expedited timeframe consistent with prudent investing standards.

(4) Any costs associated with the activities of the state board under this section shall be borne by the state board.

(5) With respect to actions taken in compliance with this section, including all good-faith determinations regarding companies as required by this section, the state board is exempt from any conflicting obligations under general law, including any fiduciary duties under this chapter and any obligations with
respect to choice of asset managers, investment funds, or investments for the Florida Retirement System's securities portfolios.

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TITLE AMENDMENT

Remove line 25 and insert:

provided; creating s. 121.999, F.S.; requiring the State Board of Administration to identify any gun manufacturing companies for divestment purposes; providing duties of the state board; authorizing the Florida Retirement System to cease divesting from companies under certain conditions; exempting the state board from certain conflicting obligations under general law; amending s. 394.463, F.S.; requiring when