

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Shaw offered the following:

2
3 **Substitute Amendment for Amendment (720369) (with title**
4 **amendment)**

5 Between lines 453 and 454, insert:

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

8 121.999 Divesting Florida Retirement Pension Fund.-

9 (1)(a) Effective April 1, 2019 the State board of
10 Administration shall identify all gun manufacturing companies.
11 In order to identify such companies, the board may:

12 1. Review and rely on publicly available information
13 regarding gun manufacturers, including information provided by

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14 nonprofit organizations, research firms, and government
15 entities.

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

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

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

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

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

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

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

35 (3) The state board shall:

36 (a) Identify those companies on the list of gun
37 manufacturing companies in which the Florida Retirement System
38 owns direct or indirect holdings.

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39 (b) Instruct its investment advisors to sell, redeem,
40 divest, or withdraw all direct holdings of such companies from
41 the Florida Retirement System's assets under management in an
42 orderly and fiduciary responsible manner within 12 months after
43 the company's most recent appearance on the list of restricted
44 companies.

45 (c) Not acquire securities of such companies.

46
47 This subsection does not apply to indirect holdings or private
48 market funds. The state board shall submit letters to the
49 managers of those investment funds containing gun manufacturing
50 companies requesting that they consider removing the companies
51 from the fund or create a similar actively managed fund having
52 indirect holdings devoid of the companies. If the manager
53 creates a similar fund, the Florida Retirement System shall
54 replace all applicable investments with investments in the
55 similar fund in an expedited timeframe consistent with prudent
56 investing standards.

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

59 (5) With respect to actions taken in compliance with this
60 section, including all good-faith determinations regarding
61 companies as required by this section, the state board is exempt
62 from any conflicting obligations under general law, including
63 any fiduciary duties under this chapter and any obligations with

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64 respect to choice of asset managers, investment funds, or
65 investments for the Florida Retirement System's securities
66 portfolios.

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T I T L E A M E N D M E N T

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Remove line 25 and insert:

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provided; creating s. 121.999, F.S.; requiring the

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State Board of Administration to identify any gun

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manufacturing companies for divestment purposes;

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providing duties of the state board; authorizing the

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Florida Retirement System to cease divesting from

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companies under certain conditions; exempting the

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state board from certain conflicting obligations under

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general law; amending s. 394.463, F.S.; requiring when

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