

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Shaw offered the following:

2
3 **Amendment (with title amendment)**

4 Between lines 453 and 454, insert:

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

7 121.999 Divesting Florida Retirement Pension Fund.—

8 (1)(a) Effective April 1, 2019, the State board of
9 Administration shall identify all gun manufacturing companies.

10 In order to identify such companies, the board may:

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

720369

Approved For Filing: 3/5/2018 8:18:14 PM

Amendment No.

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

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

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

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

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

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

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

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

34 (3) The state board shall:

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

720369

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Amendment No.

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

44 (c) Not acquire securities of such companies.

45
46 This subsection does not apply to indirect holdings or private
47 market funds. The state board shall submit letters to the
48 managers of those investment funds containing gun manufacturing
49 companies requesting that they consider removing the companies
50 from the fund or create a similar actively managed fund having
51 indirect holdings devoid of the companies. If the manager
52 creates a similar fund, the Florida Retirement System shall
53 replace all applicable investments with investments in the
54 similar fund in an expedited timeframe consistent with prudent
55 investing standards.

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

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

720369

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Amendment No.

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

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

69 Remove line 25 and insert:
70 provided; creating s. 121.999, F.S.; requiring the
71 State Board of Administration to identify any gun
72 manufacturing companies for divestment purposes;
73 providing duties of the state board; authorizing the
74 Florida Retirement System to cease divesting from
75 companies under certain conditions; exempting the
76 state board from certain conflicting obligations under
77 general law; amending s. 394.463, F.S.; requiring when