

By: Burnam

H.C.R. No. 121

HOUSE CONCURRENT RESOLUTION

1 WHEREAS, United States companies that conduct business in
2 Sudan and other countries that support terrorism provide financial
3 reinforcement to terrorist-sponsoring governments and vital
4 resources to terrorists aided and abetted by these governments; and

5 WHEREAS, The Center for Security Policy has determined that
6 on average, the nation's top 100 pension systems invest in 101
7 companies that have business activities in countries that support
8 terrorism, and the companies are involved in projects valued at
9 more than \$73 billion in these countries; and

10 WHEREAS, Federal law found at 22 U.S.C. Section 2656f(d)
11 defines "terrorism" as "premeditated, politically motivated
12 violence perpetrated against noncombatant targets by subnational
13 groups or clandestine agents"; and

14 WHEREAS, The genocide perpetrated in Darfur, Sudan, by
15 government-backed militias qualifies as terrorism because it
16 focuses on innocent civilians, results from a central planning
17 operation, and uses violence in pursuit of a political goal; and

18 WHEREAS, In 2004 the U.S. Congress passed a resolution that
19 recognized and approved the findings of the U.S. secretary of state
20 that genocide has occurred and may still be occurring in Darfur,
21 Sudan, and that the government of Sudan bears responsibility for
22 such acts; and

23 WHEREAS, Despite awareness of these findings, companies such
24 as Canada's Talisman Energy, Inc., which owns 25 percent of the

1 primary oil developer in Sudan, continue to provide funds that are
2 directly linked to the Sudanese government; several large U.S.
3 pension funds have divested mutual funds containing Talisman Energy
4 stock; and

5 WHEREAS, The governments of terrorist-sponsoring countries
6 typically are almost entirely dependent on the revenues, expertise,
7 and advanced equipment and technology provided by global, publicly
8 traded U.S. companies in which millions of Americans own stock; and

9 WHEREAS, If Americans knew which companies are, in effect,
10 rendering assistance to nations that harbor, arm, train, and
11 otherwise support our enemies in the war on terror, they might make
12 different choices about investing in and otherwise doing business
13 with those companies; and

14 WHEREAS, American consumers and investors so empowered can
15 force companies to choose their standing in the U.S. financial
16 community over their operations in terrorist-sponsoring countries,
17 greatly increasing the pressure on these countries to cease their
18 practice of aiding and abetting terrorists; and

19 WHEREAS, While actions like these can assist the U.S.
20 Department of the Treasury's efforts to sever the lines of
21 financial support to international terrorists, what is needed to
22 empower millions of American investors to aid our troops in the war
23 on terror is information about U.S. companies doing business in
24 terrorist-sponsoring countries provided by the newly created
25 Office of Global Security Risk (OGSR) within the U.S. Securities
26 and Exchange Commission (SEC); and

27 WHEREAS, With the signing into law of the Consolidated

1 Appropriations Act on January 23, 2004, the U.S. Congress charged
2 the OGSR with establishing a process by which the SEC identifies all
3 publicly traded U.S. companies operating in terrorist-sponsoring
4 states designated by the U.S. Department of State and with ensuring
5 that the companies are disclosing such activities to investors; and

6 WHEREAS, Although the OGSR is properly positioned to obtain
7 and evaluate disclosure relating to company activities that may
8 pose national security risks, the office has not been provided
9 guidelines on how to make this information available to the public;
10 now, therefore, be it

11 RESOLVED, That the 79th Legislature of the State of Texas
12 hereby respectfully urge the Congress of the United States to
13 direct the Office of Global Security Risk within the U.S.
14 Securities and Exchange Commission to publish a list of U.S.
15 companies that conduct business in countries that are involved in
16 terrorist activities; and, be it further

17 RESOLVED, That the Office of Global Security Risk be directed
18 to:

19 (1) require companies to disclose the existence of any
20 material activities in terrorist-sponsoring countries in a
21 specific place or under a special header in filings provided to the
22 Securities and Exchange Commission;

23 (2) provide a public searchable database of publicly traded
24 U.S. companies with material business or operations in countries
25 classified as supporting terrorism or subject to economic
26 sanctions; and

27 (3) take steps to prevent U.S. companies from conducting

1 business in Sudan, which the U.S. Department of State designates as
2 one of the top supporters of international terrorism; and, be it
3 further

4 RESOLVED, That the Texas secretary of state forward official
5 copies of this resolution to the president of the United States, to
6 the speaker of the house of representatives and the president of the
7 senate of the United States Congress, and to all the members of the
8 Texas delegation to the congress with the request that this
9 resolution be officially entered in the Congressional Record as a
10 memorial to the Congress of the United States of America.