

1-1 By: Taylor of Collin S.B. No. 253  
 1-2 (In the Senate - Filed November 22, 2016; January 30, 2017,  
 1-3 read first time and referred to Committee on Business & Commerce;  
 1-4 April 11, 2017, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 11, 2017,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 253 By: Campbell

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to investment prohibitions and divestment requirements  
 1-22 for certain investments of public money.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 404.024(b), Government Code, is amended  
 1-25 to read as follows:

1-26 (b) Subject to Chapter 2270, state [State] funds not  
 1-27 deposited in state depositories shall be invested by the  
 1-28 comptroller in:

- 1-29 (1) direct security repurchase agreements;
- 1-30 (2) reverse security repurchase agreements;
- 1-31 (3) direct obligations of or obligations the principal  
 1-32 and interest of which are guaranteed by the United States;
- 1-33 (4) direct obligations of or obligations guaranteed by  
 1-34 agencies or instrumentalities of the United States government;
- 1-35 (5) bankers' acceptances that:  
 1-36 (A) are eligible for purchase by the Federal  
 1-37 Reserve System;

1-38 (B) do not exceed 270 days to maturity; and

1-39 (C) are issued by a bank whose other comparable  
 1-40 short-term obligations are rated in the highest short-term rating  
 1-41 category, within which there may be subcategories or gradations  
 1-42 indicating relative standing, including such subcategories or  
 1-43 gradations as "rating category" or "rated," by a nationally  
 1-44 recognized statistical rating organization, as defined by 15 U.S.C.  
 1-45 Section 78c [Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated  
 1-46 under the Investment Company Act of 1940 by the Securities and  
 1-47 Exchange Commission];

1-48 (6) commercial paper that:

1-49 (A) does not exceed 270 days to maturity; and

1-50 (B) except as provided by Subsection (i), is  
 1-51 issued by an entity whose other comparable short-term obligations  
 1-52 are rated in the highest short-term rating category by a nationally  
 1-53 recognized statistical rating organization;

1-54 (7) contracts written by the treasury in which the  
 1-55 treasury grants the purchaser the right to purchase securities in  
 1-56 the treasury's marketable securities portfolio at a specified price  
 1-57 over a specified period and for which the treasury is paid a fee and  
 1-58 specifically prohibits naked-option or uncovered option trading;

1-59 (8) direct obligations of or obligations guaranteed by  
 1-60 the Inter-American Development Bank, the International Bank for

2-1 Reconstruction and Development (the World Bank), the African  
 2-2 Development Bank, the Asian Development Bank, and the International  
 2-3 Finance Corporation that have received the highest long-term rating  
 2-4 categories for debt obligations by a nationally recognized  
 2-5 statistical rating organization;  
 2-6 (9) bonds issued, assumed, or guaranteed by the State  
 2-7 of Israel;  
 2-8 (10) obligations of a state or an agency, county,  
 2-9 city, or other political subdivision of a state;  
 2-10 (11) mutual funds secured by obligations that are  
 2-11 described by Subdivisions (1) through (6) or by obligations  
 2-12 consistent with Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated  
 2-13 by the Securities and Exchange Commission, including pooled funds:  
 2-14 (A) established by the Texas Treasury  
 2-15 Safekeeping Trust Company;  
 2-16 (B) operated like a mutual fund; and  
 2-17 (C) with portfolios consisting only of  
 2-18 dollar-denominated securities;  
 2-19 (12) foreign currency for the sole purpose of  
 2-20 facilitating investment by state agencies that have the authority  
 2-21 to invest in foreign securities;  
 2-22 (13) asset-backed securities, as defined by the  
 2-23 Securities and Exchange Commission in Rule 2a-7 (17 C.F.R. Section  
 2-24 270.2a-7), that are rated at least A or its equivalent by a  
 2-25 nationally recognized statistical rating organization and that  
 2-26 have a weighted-average maturity of five years or less; and  
 2-27 (14) corporate debt obligations that are rated at  
 2-28 least A or its equivalent by a nationally recognized statistical  
 2-29 rating organization and mature in five years or less from the date  
 2-30 on which the obligations were "acquired," as defined by the  
 2-31 Securities and Exchange Commission in Rule 2a-7 (17 C.F.R. Section  
 2-32 270.2a-7).

2-33 SECTION 2. Section 2256.017, Government Code, is amended to  
 2-34 read as follows:  
 2-35 Sec. 2256.017. EXISTING INVESTMENTS. Except as provided by  
 2-36 Chapter 2270, an [~~An~~] entity is not required to liquidate  
 2-37 investments that were authorized investments at the time of  
 2-38 purchase.

2-39 SECTION 3. Section 2256.024(a), Government Code, is amended  
 2-40 to read as follows:  
 2-41 (a) The authority granted by this subchapter is in addition  
 2-42 to that granted by other law. Except as provided by Subsection (b)  
 2-43 and Section 2256.017, this subchapter does not:  
 2-44 (1) prohibit an investment specifically authorized by  
 2-45 other law; or  
 2-46 (2) authorize an investment specifically prohibited  
 2-47 by other law.

2-48 SECTION 4. Chapter 806, Government Code, is transferred to  
 2-49 Subtitle F, Title 10, Government Code, redesignated as Chapter 2270  
 2-50 of that subtitle, and amended to read as follows:  
 2-51 CHAPTER 2270 [~~806~~]. PROHIBITION ON INVESTING PUBLIC MONEY IN  
 2-52 CERTAIN INVESTMENTS [~~INVESTMENT IN SUDAN~~]  
 2-53 SUBCHAPTER A. GENERAL PROVISIONS  
 2-54 Sec. 2270.0001 [~~806.001~~]. DEFINITIONS. In this chapter:  
 2-55 (1) "Active business operations" means all business  
 2-56 operations that are not inactive business operations.  
 2-57 (2) [~~"Business operations" means engaging in commerce~~  
 2-58 ~~in any form in Sudan, including by acquiring, developing,~~  
 2-59 ~~maintaining, owning, selling, possessing, leasing, or operating~~  
 2-60 ~~equipment, facilities, personnel, products, services, personal~~  
 2-61 ~~property, real property, or any other apparatus of business or~~  
 2-62 ~~commerce.~~  
 2-63 [~~(3)~~] "Company" means a sole proprietorship,  
 2-64 organization, association, corporation, partnership, joint  
 2-65 venture, limited partnership, limited liability partnership,  
 2-66 limited liability company, or other entity or business association  
 2-67 whose securities are publicly traded, including a wholly owned  
 2-68 subsidiary, majority-owned subsidiary, parent company, or  
 2-69 affiliate of those entities or business associations, that exists

3-1 to make a profit.

3-2 (3) "Designated foreign terrorist organization" means  
 3-3 an organization designated as a foreign terrorist organization by  
 3-4 the United States secretary of state as authorized by 8 U.S.C.  
 3-5 Section 1189.

3-6 (4) [~~"Complicit" means taking actions that have~~  
 3-7 ~~directly supported or promoted the genocidal campaign in Darfur,~~  
 3-8 ~~including:~~

3-9 [(A) ~~preventing members of Darfur's victimized~~  
 3-10 ~~population from communicating with each other,~~

3-11 [(B) ~~encouraging Sudanese citizens to speak out~~  
 3-12 ~~against an internationally approved security force for Darfur, or~~

3-13 [(C) ~~actively working to deny, cover up, or alter~~  
 3-14 ~~the record on human rights abuses in Darfur.~~

3-15 [(5)] "Direct holdings" in a company["] means all  
 3-16 securities of that company held directly by an investing [a state  
 3-17 governmental] entity in an account or fund in which an investing [a  
 3-18 state governmental] entity owns all shares or interests.

3-19 (5) [(6) "Government of Sudan" means the government in  
 3-20 Khartoum, Sudan, which is led by the National Congress Party,  
 3-21 formerly known as the National Islamic Front, or any successor  
 3-22 government formed on or after October 13, 2006, including the  
 3-23 coalition National Unity Government agreed upon in the  
 3-24 Comprehensive Peace Agreement for Sudan. The term does not include  
 3-25 the regional government of southern Sudan.

3-26 [(7)] "Inactive business operations" means the mere  
 3-27 continued holding or renewal of rights to property previously  
 3-28 operated to generate revenue but not presently deployed to generate  
 3-29 revenue.

3-30 (6) [(8)] "Indirect holdings" in a company["] means  
 3-31 all securities of that company held in an account or fund, such as a  
 3-32 mutual fund, managed by one or more persons not employed by an  
 3-33 investing [a state governmental] entity, in which the investing  
 3-34 [state governmental] entity owns shares or interests together with  
 3-35 other investors not subject to this chapter. The term does not  
 3-36 include money invested under a plan described by Section 401(k) or  
 3-37 457 of the Internal Revenue Code of 1986.

3-38 (7) "Investing entity" means:

3-39 (A) an entity subject to Chapter 2256;

3-40 (B) the Employees Retirement System of Texas;

3-41 (C) the Teacher Retirement System of Texas; and

3-42 (D) the comptroller with respect to the  
 3-43 comptroller's investment of state funds.

3-44 (8) [(9)] "Listed company" means a company listed by  
 3-45 the comptroller under Section 2270.0201 [806.051].

3-46 (9) [(10) "Marginalized populations of Sudan"  
 3-47 includes:

3-48 [(A) the portion of the population in the Darfur  
 3-49 region that has been genocidally victimized,

3-50 [(B) the portion of the population of southern  
 3-51 Sudan victimized by Sudan's North-South civil war,

3-52 [(C) the Beja, Rashidiya, and other similarly  
 3-53 underserved groups of eastern Sudan,

3-54 [(D) the Nubian and other similarly underserved  
 3-55 groups in Sudan's Abyei, Southern Blue Nile, and Nuba Mountain  
 3-56 regions; and

3-57 [(E) the Amri, Hamadab, Manasir, and other  
 3-58 similarly underserved groups of northern Sudan.

3-59 [(11) "Military equipment" means weapons, arms,  
 3-60 military supplies, and equipment that readily may be used for  
 3-61 military purposes, including radar systems or military-grade  
 3-62 transport vehicles or supplies or services sold or provided  
 3-63 directly or indirectly to any force actively participating in armed  
 3-64 conflict in Sudan.

3-65 [(12) "Mineral extraction activities" includes  
 3-66 exploring, extracting, processing, transporting, or wholesale  
 3-67 selling or trading of elemental minerals or associated metal alloys  
 3-68 or oxides (ore), including gold, copper, chromium, chromite,  
 3-69 diamonds, iron, iron ore, silver, tungsten, uranium, and zinc, as

4-1 well as facilitating those activities, including by providing  
 4-2 supplies or services in support of those activities.

4-3 ~~[(13) "Oil-related activities" includes:~~

4-4 ~~[(A) owning rights to oil blocks,~~

4-5 ~~[(B) exporting, extracting, producing, refining,~~  
 4-6 ~~processing, exploring for, transporting, selling, or trading of~~  
 4-7 ~~oil,~~

4-8 ~~[(C) constructing, maintaining, or operating a~~  
 4-9 ~~pipeline, refinery, or other oil-field infrastructure, or~~

4-10 ~~[(D) facilitating oil-related activities,~~  
 4-11 ~~including by providing supplies or services in support of the~~  
 4-12 ~~activities, except that the mere retail sale of gasoline and~~  
 4-13 ~~related consumer products is not an oil-related activity.~~

4-14 ~~[(14) "Power production activities" means any~~  
 4-15 ~~business operation that involves a project commissioned by the~~  
 4-16 ~~National Electricity Corporation of Sudan or another similar~~  
 4-17 ~~Government of Sudan entity whose purpose is to facilitate power~~  
 4-18 ~~generation and delivery, including establishing power-generating~~  
 4-19 ~~plants or hydroelectric dams, selling or installing components for~~  
 4-20 ~~the project, and providing service contracts related to the~~  
 4-21 ~~installation or maintenance of the project, as well as facilitating~~  
 4-22 ~~those activities, including by providing supplies or services in~~  
 4-23 ~~support of those activities.~~

4-24 ~~[(15)] "Scrutinized company" means:~~

4-25 ~~(A) a company that:~~

4-26 ~~(i) [(A)] engages in scrutinized business~~  
 4-27 ~~operations described by Section 2270.0052 [806.002]; or~~

4-28 ~~(ii) [(B)] has been complicit in the Darfur~~  
 4-29 ~~genocide during any preceding 20-month period;~~

4-30 ~~(B) a company that engages in scrutinized~~  
 4-31 ~~business operations described by Section 2270.0102; and~~

4-32 ~~(C) a company that engages in scrutinized~~  
 4-33 ~~business operations described by Section 2270.0152.~~

4-34 ~~[(16) "Social development company" means a company~~  
 4-35 ~~whose primary purpose in Sudan is to provide humanitarian goods or~~  
 4-36 ~~services, including medicine or medical equipment, agricultural~~  
 4-37 ~~supplies or infrastructure, educational opportunities,~~  
 4-38 ~~journalism-related activities, information or information~~  
 4-39 ~~materials, spiritual-related activities, services of a purely~~  
 4-40 ~~clerical or reporting nature, food, clothing, or general consumer~~  
 4-41 ~~goods that are unrelated to oil-related activities, mineral~~  
 4-42 ~~extraction activities, or power production activities.~~

4-43 ~~[(17) "State governmental entity" means the Employees~~  
 4-44 ~~Retirement System of Texas or the Teacher Retirement System of~~  
 4-45 ~~Texas.~~

4-46 ~~[(18) "Substantial action" means adopting,~~  
 4-47 ~~publicizing, and implementing a formal plan to cease scrutinized~~  
 4-48 ~~business operations within one year and to refrain from any such new~~  
 4-49 ~~business operations, undertaking significant humanitarian efforts~~  
 4-50 ~~on behalf of one or more marginalized populations of Sudan, or,~~  
 4-51 ~~through engagement with the Government of Sudan, materially~~  
 4-52 ~~improving conditions for the genocidally victimized population in~~  
 4-53 ~~Darfur.]~~

4-54 ~~Sec. 2270.0002 [806.002. SCRUTINIZED BUSINESS OPERATIONS.~~  
 4-55 ~~A company engages in scrutinized business operations if:~~

4-56 ~~[(1) the company has business operations that involve~~  
 4-57 ~~contracts with or providing supplies or services to the Government~~  
 4-58 ~~of Sudan, a company in which the Government of Sudan has any direct~~  
 4-59 ~~or indirect equity share, a Government of Sudan-commissioned~~  
 4-60 ~~consortium or project, or a company involved in a Government of~~  
 4-61 ~~Sudan-commissioned consortium or project, and:~~

4-62 ~~[(A) more than 10 percent of the company's~~  
 4-63 ~~revenues or assets linked to Sudan involve oil-related activities~~  
 4-64 ~~or mineral extraction activities, less than 75 percent of the~~  
 4-65 ~~company's revenue or assets linked to Sudan involve contracts with~~  
 4-66 ~~or provision of oil-related or mineral extracting products or~~  
 4-67 ~~services to the regional government of southern Sudan or a project~~  
 4-68 ~~or consortium created exclusively by that regional government, and~~  
 4-69 ~~the company has failed to take substantial action, or~~

5-1 ~~[(B) more than 10 percent of the company's~~  
 5-2 ~~revenue or assets linked to Sudan involve power production~~  
 5-3 ~~activities, less than 75 percent of the company's power production~~  
 5-4 ~~activities include projects whose intent is to provide power or~~  
 5-5 ~~electricity to the marginalized populations of Sudan, and the~~  
 5-6 ~~company has failed to take substantial action; or~~

5-7 ~~[(2) the company supplies military equipment in Sudan,~~  
 5-8 ~~unless:~~

5-9 ~~[(A) the company clearly shows that the military~~  
 5-10 ~~equipment cannot be used to facilitate offensive military actions~~  
 5-11 ~~in Sudan; or~~

5-12 ~~[(B) the company implements rigorous and~~  
 5-13 ~~verifiable safeguards to prevent use of that equipment by forces~~  
 5-14 ~~actively participating in armed conflict, including:~~

5-15 ~~[(i) using post-sale tracking of the~~  
 5-16 ~~equipment by the company;~~

5-17 ~~[(ii) obtaining certification from a~~  
 5-18 ~~reputable and objective third party that the equipment is not being~~  
 5-19 ~~used by a party participating in armed conflict in Sudan; or~~

5-20 ~~[(iii) selling the equipment solely to the~~  
 5-21 ~~regional government of southern Sudan or any internationally~~  
 5-22 ~~recognized peacekeeping force or humanitarian organization.~~

5-23 ~~[Sec. 806.003. SOCIAL DEVELOPMENT COMPANY.~~  
 5-24 ~~Notwithstanding any other law, a social development company that is~~  
 5-25 ~~not complicit in the Darfur genocide is not a scrutinized company.~~

5-26 ~~[Sec. 806.004]. EXCEPTION. Notwithstanding any other law,~~  
 5-27 ~~a company that the United States government affirmatively declares~~  
 5-28 ~~to be excluded from its federal sanctions regime relating to Sudan,~~  
 5-29 ~~its federal sanctions regime relating to Iran, or any federal~~  
 5-30 ~~sanctions regime relating to a designated foreign terrorist~~  
 5-31 ~~organization is not subject to divestment or investment prohibition~~  
 5-32 ~~under this chapter.~~

5-33 ~~Sec. 2270.0003 [806.005]. OTHER LEGAL OBLIGATIONS. With~~  
 5-34 ~~respect to actions taken in compliance with this chapter, including~~  
 5-35 ~~all good faith determinations regarding companies as required by~~  
 5-36 ~~this chapter, an investing [a state governmental] entity is exempt~~  
 5-37 ~~from any conflicting statutory or common law obligations, including~~  
 5-38 ~~any obligations with respect to making investments, divesting from~~  
 5-39 ~~any investment, preparing or maintaining any list of companies, or~~  
 5-40 ~~choosing asset managers, investment funds, or investments for the~~  
 5-41 ~~[state governmental] entity's securities portfolios.~~

5-42 ~~Sec. 2270.0004. INAPPLICABILITY OF CERTAIN REQUIREMENTS~~  
 5-43 ~~INCONSISTENT WITH FIDUCIARY RESPONSIBILITIES AND RELATED DUTIES.~~  
 5-44 ~~An investing entity described by Section 2270.0001(7)(B) or (C) is~~  
 5-45 ~~not subject to a requirement of this chapter if the entity~~  
 5-46 ~~determines that the requirement would be inconsistent with the~~  
 5-47 ~~entity's fiduciary responsibility with respect to the investment of~~  
 5-48 ~~entity assets or other duties imposed by law relating to the~~  
 5-49 ~~investment of entity assets, including the duty of care established~~  
 5-50 ~~under Section 67, Article XVI, Texas Constitution.~~

5-51 ~~Sec. 2270.0005. CONFLICT WITH OTHER LAW. To the extent of a~~  
 5-52 ~~conflict between this chapter and a provision of Chapter 404 or 2256~~  
 5-53 ~~regarding an investing entity's investments, this chapter~~  
 5-54 ~~prevails.~~

5-55 ~~Sec. 2270.0006 [806.006]. INDEMNIFICATION OF INVESTING~~  
 5-56 ~~[STATE GOVERNMENTAL] ENTITIES, EMPLOYEES, AND OTHERS. In a cause~~  
 5-57 ~~of action based on an action, inaction, decision, divestment,~~  
 5-58 ~~investment, company communication, report, or other determination~~  
 5-59 ~~made or taken in connection with this chapter, the state shall,~~  
 5-60 ~~without regard to whether the person performed services for~~  
 5-61 ~~compensation, indemnify and hold harmless for actual damages, court~~  
 5-62 ~~costs, and attorney's fees adjudged against, and defend:~~

5-63 ~~(1) an employee, a member of the governing body, or any~~  
 5-64 ~~other officer of an investing [a state governmental] entity;~~

5-65 ~~(2) a contractor of an investing [a state~~  
 5-66 ~~governmental] entity;~~

5-67 ~~(3) a former employee, a former member of the~~  
 5-68 ~~governing body, or any other former officer of an investing [a state~~  
 5-69 ~~governmental] entity who was an employee or officer when the act or~~

6-1 omission on which the damages are based occurred; ~~and~~

6-2 (4) a former contractor of an investing ~~[a state~~  
6-3 ~~governmental]~~ entity who was a contractor when the act or omission  
6-4 on which the damages are based occurred; and

6-5 (5) an investing entity.

6-6 Sec. 2270.0007 ~~[806.007]~~. NO PRIVATE CAUSE OF ACTION.

6-7 (a) A person, including a member, retiree, and beneficiary of a  
6-8 retirement system to which this chapter applies, an association, a  
6-9 research firm, a company, or any other person may not sue or pursue  
6-10 a private cause of action against the state, an investing ~~[a state~~  
6-11 ~~governmental]~~ entity, an employee, a member of the governing body,  
6-12 or any other officer of an investing ~~[a state governmental]~~ entity,  
6-13 or a contractor of an investing ~~[a state governmental]~~ entity, for  
6-14 any claim or cause of action, including breach of fiduciary duty, or  
6-15 for violation of any constitutional, statutory, or regulatory  
6-16 requirement in connection with any action, inaction, decision,  
6-17 divestment, investment, company communication, report, or other  
6-18 determination made or taken in connection with this chapter.

6-19 (b) A person who files suit against the state, an investing  
6-20 ~~[a state governmental]~~ entity, an employee, a member of the  
6-21 governing body, or any other officer of an investing ~~[a state~~  
6-22 ~~governmental]~~ entity, or a contractor of an investing ~~[a state~~  
6-23 ~~governmental]~~ entity, is liable for paying the costs and attorney's  
6-24 fees of a person sued in violation of this section.

6-25 Sec. 2270.0008. RELIANCE ON COMPANY RESPONSE. The  
6-26 comptroller in administering this chapter and an investing entity  
6-27 may rely on a company's response to a notice or communication made  
6-28 under this chapter without conducting any further investigation,  
6-29 research, or inquiry.

6-30 SUBCHAPTER B. GENERAL PROVISIONS RELATING TO INVESTMENTS IN SUDAN

6-31 Sec. 2270.0051. DEFINITIONS. In this subchapter:

6-32 (1) "Business operations" means engaging in commerce  
6-33 in any form in Sudan, including by acquiring, developing,  
6-34 maintaining, owning, selling, possessing, leasing, or operating  
6-35 equipment, facilities, personnel, products, services, personal  
6-36 property, real property, or any other apparatus of business or  
6-37 commerce.

6-38 (2) "Complicit" means taking actions that have  
6-39 directly supported or promoted the genocidal campaign in Darfur,  
6-40 including:

6-41 (A) preventing members of Darfur's victimized  
6-42 population from communicating with each other;

6-43 (B) encouraging Sudanese citizens to speak out  
6-44 against an internationally approved security force for Darfur; or

6-45 (C) actively working to deny, cover up, or alter  
6-46 the record on human rights abuses in Darfur.

6-47 (3) "Government of Sudan" means the government in  
6-48 Khartoum, Sudan, which is led by the National Congress Party,  
6-49 formerly known as the National Islamic Front, or any successor  
6-50 government formed on or after October 13, 2006, including the  
6-51 coalition National Unity Government agreed upon in the  
6-52 Comprehensive Peace Agreement for Sudan. The term does not include  
6-53 the regional government of southern Sudan.

6-54 (4) "Marginalized populations of Sudan" includes:

6-55 (A) the portion of the population in the Darfur  
6-56 region that has been genocidally victimized;

6-57 (B) the portion of the population of southern  
6-58 Sudan victimized by Sudan's North-South civil war;

6-59 (C) the Beja, Rashidiya, and other similarly  
6-60 underserved groups of eastern Sudan;

6-61 (D) the Nubian and other similarly underserved  
6-62 groups in Sudan's Abyei, Southern Blue Nile, and Nuba Mountain  
6-63 regions; and

6-64 (E) the Amri, Hamadab, Manasir, and other  
6-65 similarly underserved groups of northern Sudan.

6-66 (5) "Military equipment" means weapons, arms,  
6-67 military supplies, and equipment that readily may be used for  
6-68 military purposes, including radar systems or military-grade  
6-69 transport vehicles or supplies or services sold or provided

7-1 directly or indirectly to any force actively participating in armed  
 7-2 conflict in Sudan.

7-3 (6) "Mineral extraction activities" includes  
 7-4 exploring, extracting, processing, transporting, or wholesale  
 7-5 selling or trading of elemental minerals or associated metal alloys  
 7-6 or oxides (ore), including gold, copper, chromium, chromite,  
 7-7 diamonds, iron, iron ore, silver, tungsten, uranium, and zinc, as  
 7-8 well as facilitating those activities, including by providing  
 7-9 supplies or services in support of those activities.

7-10 (7) "Oil-related activities" includes:

7-11 (A) owning rights to oil blocks;

7-12 (B) exporting, extracting, producing, refining,  
 7-13 processing, exploring for, transporting, selling, or trading of  
 7-14 oil;

7-15 (C) constructing, maintaining, or operating a  
 7-16 pipeline, refinery, or other oil-field infrastructure; or

7-17 (D) facilitating oil-related activities,  
 7-18 including by providing supplies or services in support of the  
 7-19 activities, except that the mere retail sale of gasoline and  
 7-20 related consumer products is not an oil-related activity.

7-21 (8) "Power production activities" means any business  
 7-22 operation that involves a project commissioned by the National  
 7-23 Electricity Corporation of Sudan or another similar government of  
 7-24 Sudan entity whose purpose is to facilitate power generation and  
 7-25 delivery, including establishing power-generating plants or  
 7-26 hydroelectric dams, selling or installing components for the  
 7-27 project, and providing service contracts related to the  
 7-28 installation or maintenance of the project, as well as facilitating  
 7-29 those activities, including by providing supplies or services in  
 7-30 support of those activities.

7-31 (9) "Social development company" means a company whose  
 7-32 primary purpose in Sudan is to provide humanitarian goods or  
 7-33 services, including medicine or medical equipment, agricultural  
 7-34 supplies or infrastructure, educational opportunities,  
 7-35 journalism-related activities, information or information  
 7-36 materials, spiritual-related activities, services of a purely  
 7-37 clerical or reporting nature, food, clothing, or general consumer  
 7-38 goods that are unrelated to oil-related activities, mineral  
 7-39 extraction activities, or power production activities.

7-40 (10) "Substantial action" means adopting,  
 7-41 publicizing, and implementing a formal plan to cease scrutinized  
 7-42 business operations within one year and to refrain from any such new  
 7-43 business operations, undertaking significant humanitarian efforts  
 7-44 on behalf of one or more marginalized populations of Sudan, or,  
 7-45 through engagement with the government of Sudan, materially  
 7-46 improving conditions for the genocidally victimized population in  
 7-47 Darfur.

7-48 Sec. 2270.0052. SCRUTINIZED BUSINESS OPERATIONS IN SUDAN.

7-49 A company engages in scrutinized business operations in Sudan if:

7-50 (1) the company has business operations that involve  
 7-51 contracts with or providing supplies or services to the government  
 7-52 of Sudan, a company in which the government of Sudan has any direct  
 7-53 or indirect equity share, a government of Sudan-commissioned  
 7-54 consortium or project, or a company involved in a government of  
 7-55 Sudan-commissioned consortium or project and:

7-56 (A) more than 10 percent of the company's  
 7-57 revenues or assets linked to Sudan involve oil-related activities  
 7-58 or mineral extraction activities, less than 75 percent of the  
 7-59 company's revenue or assets linked to Sudan involve contracts with  
 7-60 or provision of oil-related or mineral extracting products or  
 7-61 services to the regional government of southern Sudan or a project  
 7-62 or consortium created exclusively by that regional government, and  
 7-63 the company has failed to take substantial action; or

7-64 (B) more than 10 percent of the company's revenue  
 7-65 or assets linked to Sudan involve power production activities, less  
 7-66 than 75 percent of the company's power production activities  
 7-67 include projects whose intent is to provide power or electricity to  
 7-68 the marginalized populations of Sudan, and the company has failed  
 7-69 to take substantial action; or

8-1                   (2) the company supplies military equipment in Sudan,  
8-2 unless:  
8-3                   (A) the company clearly shows that the military  
8-4 equipment cannot be used to facilitate offensive military actions  
8-5 in Sudan; or  
8-6                   (B) the company implements rigorous and  
8-7 verifiable safeguards to prevent use of that equipment by forces  
8-8 actively participating in armed conflict, including:  
8-9                   (i) using post-sale tracking of the  
8-10 equipment by the company;  
8-11                   (ii) obtaining certification from a  
8-12 reputable and objective third party that the equipment is not being  
8-13 used by a party participating in armed conflict in Sudan; or  
8-14                   (iii) selling the equipment solely to the  
8-15 regional government of southern Sudan or any internationally  
8-16 recognized peacekeeping force or humanitarian organization.

8-17 Sec. 2270.0053. SOCIAL DEVELOPMENT COMPANY.  
8-18 Notwithstanding any other law, a social development company that is  
8-19 not complicit in the Darfur genocide is not a scrutinized company  
8-20 under Section 2270.0001(9)(A).

8-21 SUBCHAPTER C. GENERAL PROVISIONS RELATING TO INVESTMENTS IN IRAN

8-22 Sec. 2270.0101. DEFINITIONS. In this subchapter:  
8-23                   (1) "Business operations" means engaging in commerce  
8-24 in any form in Iran, including by acquiring, developing,  
8-25 maintaining, owning, selling, possessing, leasing, or operating  
8-26 equipment, facilities, personnel, products, services, personal  
8-27 property, real property, or any other apparatus of business or  
8-28 commerce.

8-29                   (2) "Military equipment" means weapons, arms,  
8-30 military supplies, and equipment that readily may be used for  
8-31 military purposes, including radar systems and military-grade  
8-32 transport vehicles.

8-33 Sec. 2270.0102. SCRUTINIZED BUSINESS OPERATIONS IN IRAN. A  
8-34 company engages in scrutinized business operations in Iran if:

8-35                   (1) the company has business operations that involve  
8-36 contracts with or providing supplies or services to the government  
8-37 of Iran, a company in which the government of Iran has any direct or  
8-38 indirect equity share, a consortium or project commissioned by the  
8-39 government of Iran, or a company involved in a consortium or project  
8-40 commissioned by the government of Iran; or

8-41                   (2) the company supplies military equipment to Iran.

8-42 SUBCHAPTER D. GENERAL PROVISIONS RELATING TO INVESTMENTS IN  
8-43 CERTAIN FOREIGN TERRORIST ORGANIZATIONS

8-44 Sec. 2270.0151. DEFINITIONS. In this subchapter:  
8-45                   (1) "Business operations" means engaging in commerce  
8-46 in any form, including by acquiring, developing, maintaining,  
8-47 owning, selling, possessing, leasing, or operating equipment,  
8-48 facilities, personnel, products, services, personal property, real  
8-49 property, or any other apparatus of business or commerce.

8-50                   (2) "Terroristic equipment" means weapons, arms,  
8-51 military supplies, and equipment that readily may be used for  
8-52 terroristic purposes or activities.

8-53 Sec. 2270.0152. SCRUTINIZED BUSINESS OPERATIONS WITH  
8-54 DESIGNATED FOREIGN TERRORIST ORGANIZATION. A company engages in  
8-55 scrutinized business operations with a designated foreign  
8-56 terrorist organization if:

8-57                   (1) the company has business operations that involve:  
8-58                   (A) a contract with or providing supplies or  
8-59 services to a designated foreign terrorist organization;  
8-60                   (B) a company in which a designated foreign  
8-61 terrorist organization has any direct or indirect equity share;  
8-62                   (C) a consortium or project commissioned by a  
8-63 designated foreign terrorist organization; or  
8-64                   (D) a company involved in a consortium or project  
8-65 commissioned by a designated foreign terrorist organization; or

8-66                   (2) the company supplies terroristic equipment to a  
8-67 designated foreign terrorist organization.

8-68 Sec. 2270.0153. LIST OF DESIGNATED FOREIGN TERRORIST  
8-69 ORGANIZATIONS. (a) The comptroller shall prepare and maintain a



9-1 list of designated foreign terrorist organizations.

9-2 (b) The comptroller shall maintain the list by updating the  
 9-3 list as necessary to reflect changes in the list of foreign  
 9-4 organizations designated as foreign terrorist organizations by the  
 9-5 United States secretary of state as authorized by 8 U.S.C. Section  
 9-6 1189.

9-7 (c) Not later than the 30th day after the date the  
 9-8 comptroller first prepares or updates the list of designated  
 9-9 foreign terrorist organizations as required by this section, the  
 9-10 comptroller shall:

9-11 (1) file the list with the presiding officer of each  
 9-12 house of the legislature and the attorney general; and

9-13 (2) post the list on the comptroller's Internet  
 9-14 website.

9-15 SUBCHAPTER E [B]. DUTIES REGARDING INVESTMENTS

9-16 Sec. 2270.0201 [806.051]. LISTED COMPANIES. (a) The  
 9-17 comptroller shall prepare and maintain[, and provide to each state  
 9-18 governmental entity,] a list of all scrutinized companies. The  
 9-19 list must be categorized according to:

9-20 (1) companies that are scrutinized companies under  
 9-21 Section 2270.0001(9)(A);

9-22 (2) companies that are scrutinized companies under  
 9-23 Section 2270.0001(9)(B); and

9-24 (3) companies that are scrutinized companies under  
 9-25 Section 2270.0001(9)(C).

9-26 (b) In maintaining the list of scrutinized companies under  
 9-27 Subsection (a), the comptroller may review and rely, as appropriate  
 9-28 in the comptroller's judgment, on publicly available information  
 9-29 regarding companies with business operations in Sudan, in Iran, or  
 9-30 with designated foreign terrorist organizations, as applicable,  
 9-31 including information provided by the state, nonprofit  
 9-32 organizations, research firms, international organizations, and  
 9-33 governmental entities.

9-34 (c) [~~b~~] The comptroller shall update the list of  
 9-35 scrutinized companies under Subsection (a) annually or more often  
 9-36 as the comptroller considers necessary, but not more often than  
 9-37 quarterly, based on information from, among other sources, those  
 9-38 listed in Subsection (b) [~~a~~].

9-39 (d) The comptroller shall:

9-40 (1) provide each list prepared or updated under this  
 9-41 section to each investing entity; and

9-42 (2) post each list on the comptroller's Internet  
 9-43 website.

9-44 (e) [~~c~~] Not later than the 30th day after the date a [~~the~~  
 9-45 list of scrutinized companies is [~~first~~] provided [~~or updated~~], the  
 9-46 comptroller shall file the list of scrutinized companies with the  
 9-47 presiding officer of each house of the legislature and the attorney  
 9-48 general.

9-49 (f) For purposes of the prohibitions and duties under this  
 9-50 chapter, the date the comptroller posts on the comptroller's  
 9-51 Internet website a list of scrutinized companies under this section  
 9-52 is considered the date the comptroller receives notice of the list.

9-53 Sec. 2270.0202 [806.052]. IDENTIFICATION OF INVESTMENT IN  
 9-54 LISTED COMPANIES. Not later than the 30th day after the date an  
 9-55 investing [a state governmental] entity receives a [~~the~~] list  
 9-56 provided under Section 2270.0201 [806.051], the [~~state~~  
 9-57 ~~governmental~~] entity shall notify the comptroller of the listed  
 9-58 companies in which the [~~state governmental~~] entity owns direct or  
 9-59 indirect holdings.

9-60 Sec. 2270.0203 [806.053]. NOTICE TO LISTED COMPANY ENGAGED  
 9-61 IN INACTIVE BUSINESS OPERATIONS. For each listed company  
 9-62 identified under Section 2270.0202 [806.052] that is engaged in  
 9-63 only inactive scrutinized business operations, the investing  
 9-64 [~~state governmental~~] entity shall send a written notice informing  
 9-65 the company of this chapter and encouraging the company to continue  
 9-66 to refrain from initiating active business operations in Sudan, in  
 9-67 Iran, and with designated foreign terrorist organizations until it  
 9-68 is able to avoid being considered a listed company. The investing  
 9-69 [~~state governmental~~] entity shall continue the correspondence as

10-1 the entity considers necessary, but is not required to initiate  
 10-2 correspondence more often than semiannually.

10-3 Sec. 2270.0204 [806.054]. ACTIONS RELATING TO LISTED  
 10-4 COMPANY ENGAGED IN ACTIVE BUSINESS OPERATIONS. (a) For each  
 10-5 listed company identified under Section 2270.0202 [806.052] that is  
 10-6 engaged in scrutinized active business operations, the investing  
 10-7 [state governmental] entity shall send a written notice informing  
 10-8 the company of its listed company status and warning the company  
 10-9 that it may become subject to divestment by investing [state  
 10-10 governmental] entities.

10-11 (b) The notice shall offer the company the opportunity to  
 10-12 clarify its Sudan-related, Iran-related, or designated foreign  
 10-13 terrorist organization-related activities, as applicable, and  
 10-14 shall encourage the company, not later than the 90th day after the  
 10-15 date the company receives notice under this section, to either  
 10-16 cease all [its] scrutinized business operations as described by  
 10-17 Sections 2270.0052, 2270.0102, and 2270.0152, or convert such  
 10-18 operations to inactive business operations in order to avoid  
 10-19 qualifying for divestment by investing [state governmental]  
 10-20 entities.

10-21 (c) If, during the time provided by Subsection (b), the  
 10-22 company ceases scrutinized business operations described by that  
 10-23 subsection, the comptroller shall remove the company from the list  
 10-24 of scrutinized companies and this chapter will no longer apply to  
 10-25 the company unless it resumes scrutinized business operations.

10-26 (d) If, during the time provided by Subsection (b), the  
 10-27 company converts its scrutinized active business operations to  
 10-28 inactive business operations, the company is subject to all  
 10-29 provisions of this chapter relating to inactive business  
 10-30 operations.

10-31 (e) If, after the time provided by Subsection (b) expires,  
 10-32 the listed company continues to have scrutinized active business  
 10-33 operations, the investing [state governmental] entity shall sell,  
 10-34 redeem, divest, or withdraw all publicly traded securities of the  
 10-35 company, except securities described by Section 2270.0207  
 10-36 [806.057], according to the schedule provided by Section 2270.0206  
 10-37 [806.056].

10-38 Sec. 2270.0205 [806.055]. ACTIONS RELATING TO LISTED  
 10-39 COMPANY COMPLICIT IN GENOCIDE. (a) In this section, "complicit"  
 10-40 has the meaning assigned by Section 2270.0051.

10-41 (b) For each company identified under Section 2270.0202  
 10-42 [806.052] that has been complicit, the investing [state  
 10-43 governmental] entity shall send a written notice informing the  
 10-44 company of its listed company status and warning the company that it  
 10-45 may become subject to divestment by the investing [state  
 10-46 governmental] entity.

10-47 (c) ~~[(b)]~~ The notice must require the listed company to  
 10-48 refrain from taking any further action that would make it  
 10-49 complicit.

10-50 (d) ~~[(c)]~~ If, after receiving the notice under Subsection  
 10-51 ~~(b) [(a)]~~, the listed company takes additional action that makes  
 10-52 the company complicit, the investing [state governmental] entity  
 10-53 shall sell, redeem, divest, or withdraw all publicly traded  
 10-54 securities of the company, except securities described by Section  
 10-55 2270.0207 [806.057], according to the schedule provided by Section  
 10-56 2270.0206 [806.056].

10-57 Sec. 2270.0206 [806.056]. DIVESTMENT OF ASSETS. (a) An  
 10-58 investing [A state governmental] entity required to sell, redeem,  
 10-59 divest, or withdraw all publicly traded securities of a listed  
 10-60 company shall comply with the following schedule:

10-61 (1) at least 50 percent of those assets shall be  
 10-62 removed from the investing [state governmental] entity's assets  
 10-63 under management not later than the 270th day after the date the  
 10-64 company receives notice under Section 2270.0204 [806.054] or  
 10-65 2270.0205 [806.055] or Subsection (b); and

10-66 (2) 100 percent of those assets shall be removed from  
 10-67 the investing [state governmental] entity's assets under  
 10-68 management not later than the 450th day after the date the company  
 10-69 receives notice under Section 2270.0204 [806.054] or 2270.0205

11-1 ~~[806.055]~~ or Subsection (b).

11-2 (b) If a company that ceased scrutinized active business  
11-3 operations after receiving notice under Section 2270.0204  
11-4 ~~[806.054]~~ resumes scrutinized active business operations, the  
11-5 investing ~~[state governmental]~~ entity shall send a written notice  
11-6 to the company informing it that the ~~[state governmental]~~ entity  
11-7 will sell, redeem, divest, or withdraw all publicly traded  
11-8 securities of the scrutinized company according to the schedule in  
11-9 Subsection (a).

11-10 (c) An investing ~~[A state governmental]~~ entity may delay the  
11-11 schedule for divestment under Subsection (a) only to the extent  
11-12 that the ~~[state governmental]~~ entity determines, in the ~~[state~~  
11-13 ~~governmental]~~ entity's good faith judgment, that divestment from  
11-14 listed companies will likely result in a loss in value described by  
11-15 Section 2270.0208(a) ~~[806.058(a)]~~. If the ~~[a state governmental]~~  
11-16 entity delays the schedule for divestment, the ~~[state governmental]~~  
11-17 entity shall submit a report to the presiding officer of each house  
11-18 of the legislature and the attorney general stating the reasons and  
11-19 justification for the ~~[state governmental]~~ entity's delay in  
11-20 divestment from listed companies. The report must include  
11-21 documentation supporting its determination that the divestment  
11-22 would result in a loss in value described by Section 2270.0208(a)  
11-23 ~~[806.058(a)]~~, including objective numerical estimates. The  
11-24 investing ~~[state governmental]~~ entity shall update the report every  
11-25 six months.

11-26 Sec. 2270.0207 ~~[806.057]~~. INVESTMENTS EXEMPTED FROM  
11-27 DIVESTMENT. An investing ~~[A state governmental]~~ entity is not  
11-28 required to divest from any indirect holdings in actively managed  
11-29 investment funds or private equity funds. The investing ~~[state~~  
11-30 ~~governmental]~~ entity shall submit letters to the managers of  
11-31 investment funds containing listed companies requesting that they  
11-32 consider removing those companies from the fund or create a similar  
11-33 actively managed fund with indirect holdings devoid of listed  
11-34 companies. If the manager creates a similar fund with  
11-35 substantially the same management fees and same level of investment  
11-36 risk, the investing ~~[state governmental]~~ entity shall replace all  
11-37 applicable investments with investments in the similar fund in an  
11-38 expedited time frame consistent with prudent fiduciary standards.

11-39 Sec. 2270.0208 ~~[806.058]~~. AUTHORIZED INVESTMENT IN LISTED  
11-40 COMPANIES. (a) An investing ~~[A state governmental]~~ entity may  
11-41 cease divesting from or may reinvest in one or more listed companies  
11-42 if clear and convincing evidence shows that the value for all assets  
11-43 under management by the ~~[state governmental]~~ entity becomes equal  
11-44 to or less than 99.7 percent of the hypothetical value of all assets  
11-45 under management by the ~~[state governmental]~~ entity had the ~~[state~~  
11-46 ~~governmental]~~ entity not divested from listed companies under this  
11-47 chapter.

11-48 (b) An investing ~~[A state governmental]~~ entity may invest in  
11-49 a listed company as provided by this section only to the extent  
11-50 necessary to ensure that the value of the assets managed by the  
11-51 ~~[state governmental]~~ entity does not fall below the value described  
11-52 by Subsection (a).

11-53 (c) Before an investing ~~[a state governmental]~~ entity may  
11-54 invest in a listed company under this section, the ~~[state~~  
11-55 ~~governmental]~~ entity must provide a written report to the presiding  
11-56 officer of each house of the legislature and the attorney general  
11-57 setting forth the reason and justification, supported by clear and  
11-58 convincing evidence, for its decisions to cease divestment, to  
11-59 reinvest, or to remain invested in a listed company.

11-60 (d) The investing ~~[state governmental]~~ entity shall update  
11-61 the report required by Subsection (c) semiannually, as applicable.

11-62 (e) This section does not apply to reinvestment in a company  
11-63 that has ceased to be a listed company.

11-64 Sec. 2270.0209 ~~[806.059]~~. PROHIBITED INVESTMENTS. Except  
11-65 as provided by Sections 2270.0002 ~~[806.004]~~ and 2270.0208  
11-66 ~~[806.058]~~, an investing ~~[a state governmental]~~ entity may not  
11-67 acquire securities of a listed company.

11-68 SUBCHAPTER F ~~[C]~~. EXPIRATION; REPORT; ENFORCEMENT

11-69 Sec. 2270.0251 ~~[806.101]~~. EXPIRATION OF CHAPTER. This

12-1 chapter expires September 1, 2037 [~~on the earliest of:~~  
 12-2 [~~(1) the date on which the United States Congress or~~  
 12-3 ~~the president of the United States declares that the Darfur~~  
 12-4 ~~genocide has been halted for at least 12 months;~~

12-5 [~~(2) the date on which the United States revokes its~~  
 12-6 ~~sanctions against the Government of Sudan; or~~

12-7 [~~(3) the date on which the United States Congress or~~  
 12-8 ~~the president of the United States, through legislation or~~  
 12-9 ~~executive order, declares that mandatory divestment of the type~~  
 12-10 ~~provided for in this chapter interferes with the conduct of United~~  
 12-11 ~~States foreign policy].~~

12-12 Sec. 2270.0252 [~~806.102~~]. REPORT. Not later than December

12-13 31 of each year, each investing [~~state governmental~~] entity shall:  
 12-14 (1) file a publicly available report with the  
 12-15 presiding officer of each house of the legislature and [~~7~~] the  
 12-16 attorney general [~~, and the United States presidential special envoy~~  
 12-17 ~~to Sudan~~] that:

12-18 (A) [~~(1)~~] identifies all investments sold,  
 12-19 redeemed, divested, or withdrawn in compliance with Section  
 12-20 2270.0206 [~~806.056~~];

12-21 (B) [~~(2)~~] identifies all prohibited investments  
 12-22 under Section 2270.0209 [~~806.059~~]; and

12-23 (C) [~~(3)~~] summarizes any changes made under  
 12-24 Section 2270.0207; and

12-25 (2) file a report with the United States presidential  
 12-26 special envoy to Sudan that identifies investments in Sudan  
 12-27 identified in the report as required by Subdivisions (1)(A) and (B)  
 12-28 and summarizes any changes made under Section 2270.0207 related to  
 12-29 those investments [~~806.057~~].

12-30 Sec. 2270.0253 [~~806.103~~]. ENFORCEMENT. The attorney  
 12-31 general may bring any action necessary to enforce this chapter.

12-32 SECTION 5. Chapter 807, Government Code, is repealed.

12-33 SECTION 6. (a) On the effective date of this Act, all  
 12-34 powers, duties, and functions of the State Pension Review Board  
 12-35 under Chapter 807, Government Code, as repealed by this Act, are  
 12-36 transferred to the comptroller of public accounts.

12-37 (b) All of the following that relate to a power, duty, or  
 12-38 function transferred under Subsection (a) of this section are  
 12-39 transferred to the comptroller of public accounts on the effective  
 12-40 date of this Act:

12-41 (1) all obligations and contracts;  
 12-42 (2) all property and records in the custody of the  
 12-43 State Pension Review Board;  
 12-44 (3) all funds appropriated by the legislature and  
 12-45 other money;

12-46 (4) all complaints, investigations, or contested  
 12-47 cases that are pending before the State Pension Review Board,  
 12-48 without change in status; and

12-49 (5) all necessary personnel.  
 12-50 (c) A rule, policy, or form adopted by or on behalf of the  
 12-51 State Pension Review Board that relates to a power, duty, or  
 12-52 function transferred under Subsection (a) of this section becomes a  
 12-53 rule, policy, or form of the comptroller of public accounts on the  
 12-54 transfer of the related power, duty, or function and remains in  
 12-55 effect:

12-56 (1) until altered by the comptroller of public  
 12-57 accounts; or

12-58 (2) unless it conflicts with a rule, policy, or form of  
 12-59 the comptroller of public accounts.

12-60 (d) An action brought or proceeding commenced before the  
 12-61 date of a transfer under this section, including a contested case or  
 12-62 a remand of an action or proceeding by a reviewing court, is  
 12-63 governed by the laws and rules applicable to the action or  
 12-64 proceeding before the transfer.

12-65 SECTION 7. Not later than September 1, 2017, the  
 12-66 comptroller of public accounts shall prepare the initial list of  
 12-67 designated foreign terrorist organizations as required by Section  
 12-68 2270.0153, Government Code, as added by this Act.

12-69 SECTION 8. Not later than October 1, 2017, the comptroller

13-1 of public accounts shall:

13-2 (1) prepare an updated list of scrutinized companies  
13-3 required by Section 2270.0201, Government Code, as added by this  
13-4 Act;

13-5 (2) provide the list to each investing entity, as  
13-6 defined by Section 2270.0001, Government Code, as added by this  
13-7 Act; and

13-8 (3) post the list on the comptroller's Internet  
13-9 website.

13-10 SECTION 9. This Act takes effect immediately if it receives  
13-11 a vote of two-thirds of all the members elected to each house, as  
13-12 provided by Section 39, Article III, Texas Constitution. If this  
13-13 Act does not receive the vote necessary for immediate effect, this  
13-14 Act takes effect on the 91st day after the last day of the  
13-15 legislative session.

13-16

\* \* \* \* \*