

2024 Legislative Session | KPERS Bill Recap

Senate Bill 37: Countries of Concern Divestment and Procurement Protection Act

Where It's At

Policy amended into HB 2711

Quick Look

SB 37 lists countries of concern and requires State funds, like the KPERS Trust Fund, to divest holdings in those countries.

Hearings

March 4 – House Financial Institutions and Pensions

March 13 – Passed House Committee as amended

The Fine Print

SB 37 establishes a requirement for State funds to sell, redeem, divest or withdraw all publicly-traded securities, held directly or indirectly in actively or passively managed investment funds of a “country of concern,” which is defined in the bill.

State funds would have one year to divest 50% of affected assets, unless a later date is more prudent based on fiduciary discretion. However, 100% of affected assets must be divested within two years.

As defined by SB 37, the list of countries of concern includes:

1. China (including Hong Kong but excluding Taiwan)
2. Cuba
3. Iran
4. North Korea
5. Russia
6. Venezuela

The House Committee made technical and clarifying amendments as well as adding to the definitions in the bill.

This policy was original HB 2739, but the House Committee amended the contents into SB 37.