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By: **Delegate D'Amato**  
Introduced and read first time: March 1, 2002  
Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Administration**

3 FOR the purpose of prohibiting members of the Board of Trustees for the State  
4 Retirement and Pension System from serving on the boards of certain  
5 companies; prohibiting members of the Board of Trustees from holding equities  
6 in certain companies; requiring the Board of Trustees to make certain public  
7 disclosures within a certain period of time; providing for the content and the  
8 availability of certain public disclosures; prohibiting the Board of Trustees from  
9 hiring a State employee or officer to invest the assets of the State Retirement  
10 and Pension System; providing for the application of this Act; and generally  
11 relating to the Board of Trustees for the State Retirement and Pension System.

12 BY adding to  
13 Article - State Personnel and Pensions  
14 Section 21-104(f) and 21-123(h), (i), and (j)  
15 Annotated Code of Maryland  
16 (1997 Replacement Volume and 2001 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - State Personnel and Pensions**

20 21-104.

21 (F) A TRUSTEE MAY NOT:

22 (1) SERVE ON THE BOARD OF ANY COMPANY IN WHICH ANY OF THE  
23 ASSETS OF THE SEVERAL SYSTEMS ARE INVESTED; OR

24 (2) INVEST THE TRUSTEE'S PERSONAL ASSETS IN ANY COMPANY IN  
25 WHICH ANY OF THE ASSETS OF THE SEVERAL SYSTEMS ARE INVESTED.

1 21-123.

2 (H) (1) WITHIN 48 HOURS OF ANY INVESTMENT TRANSACTION INVOLVING  
3 ANY OF THE ASSETS OF THE SEVERAL SYSTEMS, THE BOARD OF TRUSTEES SHALL  
4 PUBLICLY DISCLOSE ALL OF THE MATERIAL FACTS REGARDING THE TRANSACTION.

5 (2) THE DISCLOSURE SHALL BE AVAILABLE AT THE STATE RETIREMENT  
6 AGENCY AND POSTED ON THE WEB SITE MAINTAINED BY THE STATE RETIREMENT  
7 AGENCY.

8 (I) (1) THE BOARD OF TRUSTEE SHALL PUBLICLY DISCLOSE A LIST OF ALL  
9 INTERNATIONAL COMPANIES:

10 (I) IN WHICH ANY ASSETS OF THE SEVERAL SYSTEMS ARE  
11 INVESTED; AND

12 (II) THAT HAVE ENGAGED IN BUSINESS TRANSACTIONS WITH ANY  
13 NATION:

14 1. UPON WHICH THE SECURITY COUNCIL OF THE UNITED  
15 NATIONS HAS IMPOSED SANCTIONS IN ACCORDANCE WITH CHAPTER VII OF THE  
16 UNITED NATIONS CHARTER; OR

17 2. THAT THE UNITED STATES HAS RECOGNIZED AS HAVING  
18 ENGAGED IN THE PROLIFERATION OF, OR THE DEVELOPMENT OF DELIVERY  
19 SYSTEMS FOR, WEAPONS OF MASS DESTRUCTION.

20 (2) THE DISCLOSURE SHALL INCLUDE THE NATURE OF THE  
21 RELATIONSHIP BETWEEN THE COMPANY AND THAT NATION.

22 (J) THE BOARD OF TRUSTEES MAY NOT HIRE ANY STATE EMPLOYEE OR  
23 OFFICER TO INVEST ANY OF THE ASSETS OF THE SEVERAL SYSTEMS.

24 SECTION 2. AND BE IT FURTHER ENACTED, That the disclosures required  
25 by the Board of Trustees of all international companies under § 21-123(i)(1)(ii)1 of  
26 this Act may not apply to any international company that more than 5 years before  
27 the effective date of this Act engaged in business with a nation upon which the  
28 Security Council of the United Nations has imposed sanctions in accordance with  
29 Chapter VII of the United Nations Charter.

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 July 1, 2002.