

SENATE, No. 1976

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED FEBRUARY 26, 2018

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

Senator Weinberg

SYNOPSIS

Prohibits State from investing pension and annuity funds in manufacturers of firearms or firearm ammunition.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/27/2018)

1 AN ACT prohibiting the State from investing pension and annuity
2 funds in companies that manufacture firearms or firearm
3 ammunition and supplementing P.L.1950. c.270 (C.52:18A-79
4 et. seq.).

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

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9 1. a. As used in this section:

10 "Firearm" means "firearm" as the term is defined in subsection f.
11 of N.J.S.2C:39-1 except that "firearm" shall not include any firearm
12 which is in the nature of an air gun, spring gun or pistol or other
13 weapon of a similar nature in which the propelling force is a spring,
14 elastic band, carbon dioxide, compressed or other gas or vapor, air
15 or compressed air, or is ignited by compressed air, and ejecting a
16 bullet or missile smaller than three-eighths of an inch in diameter,
17 with sufficient force to injure a person.

18 "Manufacturer" means any company that processes raw materials
19 or parts into firearms, firearm ammunition, or finished parts of
20 firearms or firearm ammunition.

21 b. Notwithstanding any provision of law to the contrary, no
22 assets of any pension or annuity fund under the jurisdiction of the
23 Division of Investment in the Department of the Treasury, or its
24 successor, shall be invested in any manufacturer of firearms or
25 firearm ammunition.

26 c. The State Investment Council and the Director of the
27 Division of Investment shall take appropriate action to sell, redeem,
28 divest, or withdraw any investment held in violation of subsection
29 b. of this section. This section shall not be construed to require the
30 premature or otherwise imprudent sale, redemption, divestment, or
31 withdrawal of an investment, but such sale, redemption, divestment,
32 or withdrawal shall be completed not later than 24 months
33 following the effective date of this act.

34 d. Within 120 days after the effective date of this act, the
35 Director of the Division of Investment shall file with the
36 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
37 19.1), a report of all investments held as of the effective date that
38 are in violation of subsection b. of this section. The State
39 Investment Council and the Director of the Division of Investment
40 shall use its best efforts to identify all manufacturers of firearms or
41 firearm ammunition and these efforts shall include, but are not
42 limited to, the following, as appropriate in the judgment of the State
43 Investment Council and the Director of the Division of Investment:

44 (1) reviewing and relying on publicly available information
45 regarding manufacturers of firearms or firearm ammunition,
46 including information provided by non-profit organizations,
47 research firms, and government entities;

1 (2) contacting other institutional investors that have divested
2 from manufacturers of firearms or firearm ammunition; and

3 (3) retaining an independent research firm to identify
4 manufacturers of firearms or firearm ammunition.

5 One year thereafter, and every subsequent year on the
6 anniversary of the effective date of this act, the director shall report
7 on all investments sold, redeemed, divested, or withdrawn in
8 compliance with subsection b. of this section. The report shall
9 provide a description of the progress that the division has made
10 since the previous report and since the effective date of this act in
11 implementing subsection c. of this section.

12 e. The members of the State Investment Council, jointly and
13 individually, and State officers and employees involved therewith,
14 shall be indemnified and held harmless by the state of New Jersey
15 from all claims, demands, suits, actions, damages, judgments, costs,
16 charges, and expenses, including court costs and attorney's fees,
17 and against all liabilities, losses, and damages that these council
18 members, and State officers and employees, may sustain by reason
19 of any decision to restrict, reduce, or eliminate investment pursuant
20 to this act.

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22 2. This act shall take effect immediately.

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STATEMENT

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27 This bill prohibits the State of New Jersey from investing assets
28 of any pension or annuity fund managed by the Director of the
29 Division of Investment in the Department of the Treasury in
30 companies that manufacture firearms or firearm ammunition.

31 As for existing investments that are held in violation of the
32 prohibition, the State Investment Council and the Director of the
33 Division of Investment have up to two years to divest from the
34 prohibited companies.

35 The bill also requires the State Investment Council and the
36 Director of the Division of Investment to submit an initial report on
37 its prohibited investments and thereafter to submit annual reports on
38 its progress towards compliance with the prohibition.

39 According to data produced by the Center for Disease Control
40 and Prevention more than a half million people died in the U.S. as a
41 result of a firearm injury between the years 2000 and 2015. Firearm
42 manufacturers are the source through which perpetrators of firearm
43 deaths obtain their weapons. Through this bill, the State of New
44 Jersey seeks to eliminate any contribution it makes to, or profits
45 from, firearms or ammunition manufacturers.