



American Committee On Africa

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Newsletter

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*ALABAMA

State Action: Rep. James Buskey is introducing a bill to divest all state pension funds from corporations operating in South Africa within three years and to ban deposit of pension funds in banks making loans to the South African government, any South African corporations or to U.S. corporations investing in South Africa.

City Action: Birmingham Mayor Richard Arrington's proposal to divest city funds from banks and corporations doing business with South Africa was blocked in the city council on a 4-4 tie vote on January 7 1985. Arrington is planning to ask the city's pension fund board to adopt a divestment policy.

*ALASKA

State Action: Rep. James Duncan and Rep. Donald Clockson introduced House Concurrent Resolution No. 17 on March 8, 1985 calling on the state government to speedily divest its investment in corporations that do business in South Africa. Senator Vic Fischer has introduced the same resolution in the Senate.

*ARIZONA

State Action: Rep. Art Hamilton and Sen. Tony West introduced Senate Bill 1007 to prohibit all public investment in corporations doing business in South Africa. The bill died and West plans to reintroduce it next year.

*CALIFORNIA

State Action: Assemblywoman Maxine Waters reintroduced her pension fund divestment bill which calls for divestiture of approximately \$750 million in state pension funds and prohibits deposit of state funds in banks making loans to the South African government in the 1985 session of the legislature. In early May the bill was voted out of committee and sent to the floor of the Assembly.

City Action: Berkeley On April 17, 1979 the citizens of Berkeley passed a referendum mandating the divestment of all public funds except pension and other employee benefit funds from banks doing business in or with South Africa. Approximately \$4.5 million was involved.

City Action: Davis In 1980 the Davis City Council passed an investment policy which prohibits investment in any corporation which directly or indirectly discriminates on the basis of race, religion, color, creed, national or ethnic origin, age, sex, sexual preference or physical disability. The guidelines to carry out this policy included making no further investment in banks doing business in South Africa.

City Action: Los Angeles Los Angeles Mayor Tom Bradley asked the Los Angeles City Council to end all city investment in banks and corporations doing business in South Africa and impose a special tax on the sale of Krugerrands on May 7, 1985. The tax on Krugerrands would be used to finance an "anti-apartheid corporation" to monitor the South African activities of U.S. corporations and promote anti-apartheid legislation in the schools.

City Action: Oakland In December 1984 the Oakland City Council voted to ban new investment of idle funds in financial institutions doing business with South Africa. Councilman Wilson Riles Jr. is continuing to press for a divestment ordinance, which is under consideration in the Council.

City Action: San Francisco The City Retirement Board voted to divest city pension funds on April 30, 1985. A total of \$335 million will be divested over two years. In November 1984 San Francisco voters adopted a non-binding referendum urging pension fund divestment.

City Action: San Jose On February 26, 1985 the San Jose City Council voted 10-1 to ban all new investment of city funds in corporations doing business in South Africa. The city administration was also instructed to determine the extent of present city investment in these corporations and in banks making loans to South Africa.

City Action: Santa Cruz: Santa Cruz Mayor John Laird signed an ordinance prohibiting the investment of public funds in banks doing business in or with South Africa on November 8, 1983.

*COLORADO

State Action: In February 1985, Sen. Regis Groff introduced Senate Bill 150 providing for divestment from banks and corporations with investments in South Africa over a three year period with the support of the Colorado Coalition Against Apartheid. The bill lost on the floor on March 12th.

CONNECTICUT

State Action In June 1982 the state legislature passed a law requiring divestment from corporations which fail to meet the following minimum requirements: no sales of strategic products or services to the South African government, military or police; recognition of the right of black workers to organize and strike; receiving a performance rating in the top two categories of the Sullivan Principles rating system. It is estimated that this law will result in the sale of \$70 million worth of securities. The Connecticut Anti-Apartheid Committee mobilized public support for the bill.

City Action: Hartford In 1980 Hartford passed an ordinance prohibiting the investment of city pension funds in corporations operating in South Africa which have not signed the Sullivan Principles.

City Action: New Haven Alderman Steven Mednick has introduced an ordinance calling for divestment from banks and corporations with loans or investments in South Africa within two years.

***DELAWARE**

State Action: Rep. Al Plant has introduced H.B. 20 on January 16, 1985 to prohibit the investment of state funds in banks making loans to South Africa or in any corporation operating in South Africa.

City Action: Wilmington passed an ordinance sponsored by Councilman Penrose Hollins on July 18, 1982 which provided for the sale of securities of companies doing business in South Africa from the city's pension funds within 180 days. Approximately \$400,000 in corporate bonds were affected.

***FLORIDA**

State Action: Senators Carrie Meek, Jack Gordon and Arnett Girardeau have petitioned the State Board of Administration which controls pension funds to adopt a divestment policy. A hearing on their petition was held on February 1 1985. Speaker Pro Tem Steve Pajcik has introduced a bill in the House based on the divestment resolution passed by New York City Employees Retirement System which would provide staged divestment over five years except from corporations judged to be aiding the struggle against apartheid. This bill will also ban deposit of pension funds in banks making loans to the South African government. The bill was introduced February 16.

City Action: Miami On February 14, 1985 the Miami City Council passed a divestment ordinance mandating withdrawal of city funds from the securities of banks with loans to the South African or Namibian government or South African national corporations and from U.S. corporations which do business in South Africa or Namibia.

GEORGIA

State Action: Rep. Tyrone Brooks introduced H.B. 348 and 349 providing that no new state or retirement system funds will be invested in any bank with outstanding loans to the South African government or in any corporations doing business in South Africa after July 1, 1985, and divestment to be carried out by January 1, 1987. The two bills are in committee and will be carried over into next year.

City Action: Atlanta In 1982 the Atlanta City Council passed a resolution requesting the removal of all city pension funds from banks making loans to the South African government or to state corporations and from corporations doing business in South Africa.

***ILLINOIS**

State Action: Rep. Carol Mosley Braun introduced H.B. 0317 and H.B. 0330 on February 21, 1985 to prohibit any new pension fund investment in corporations operating in South Africa or banks making loans for investment in South Africa and for divestment from these banks and corporations within five years. The bills are being heard in committee in April 1985. In 1984 a similar bill was voted out of Committee but died on the House Floor. Rep. Mosley Braun is working with the Coalition for Illinois Divestment which has built broad public support for divestment.

***INDIANA**

State Action: Rep. William Crawford has introduced H.B. 1576 in the 1985 legislative session to prohibit the deposit of state funds in banks making loans to the South African government or its agencies and the investment of state pension funds in corporations which employ more than 50 people, earn more than \$500,000 a year, or invest more than \$2,000,000 in South Africa or Namibia.

City Action: Gary On August 17, 1984 Mayor Richard Hatcher signed a City Council resolution condemning U.S. investment in South Africa.

***IOWA**

State Action: On April 26, 1985 the Iowa House passed and sent to the Governor a divestment bill which was originally introduced by Senator Thomas Mann. The bill provides for divestment of state pension and educational funds from all corporations investing in South Africa except those which are rated in the top two categories of the Sullivan Principles over a five year period.. The state will also divest from corporations which supply strategic products or services to the South African military or police and banks making loans to South Africa or to corporations which do business in or with South Africa. It is estimated that the bill will result in the sale of \$110 worth of securities. Senator Mann and The Iowa Divestment Coalitoon which built public support for divestment, regard this bill as a partial victory and are planning to come back next year with a bill calling for full divestment and selective purchasing in favor of companies that do not invest in South Africa.

***KANSAS**

State Action: Rep. Norman Justice introduced H.B. 2403 on February 13, 1985, to make the divestment resolution passed in April 1984 binding. The bill never came out of committee.

LOUISIANA

City Action: New Orleans A resolution has been introduced this year in the New Orleans City Council urging the mayor to appoint a committee to study divestment and report by March 21.

***MAINE**

State Action: Rep. Harlan Baker introduced H.P. 368 in February 1985 calling for divestment of all state pension funds within three years. Hearings were held in March.

***MARYLAND**

State Action: On May 29, 1984 Governor Harry Hughes signed into law H.B. 1267 introduced by Delegate Howard Rawlings, which prohibits the deposit of state funds in any bank making loans to the South African government or government corporations. On April 18, 1985, the legislature passed H.B. 1214 providing for a moritorium on investment of state funds in corporations which invest in South Africa but do not meet the top two categories pf the Sullivan Principle ratings. The legislation, which was introduced by Delegate Rawlings, also sets up a governor's task

force to examine the question of divestment and report by December 31, 1987.

MASSACHUSETTS

State Action: On January 4, 1983 the Massachusetts legislature overrode a veto by former Governor Edward King and voted to withdraw all state pension funds from corporations doing business in South Africa. The bill was sponsored by Senator Jack Backman and Representative Mel King. Mass Divest organized support for the bill from labor, religious, civil rights and community organizations which was key to its passage.

City Action: Amherst In October 1984 Amherst Town Council voted to divest town funds from corporations doing business in South Africa or producing nuclear weapons.

City Action: Boston On January 7th, 1985 Governor Michael Dukakis signed legislation which permits the divestment bill passed in Boston in July 1984 to take effect. The Boston ordinance prohibits investment of public funds in any bank with outstanding loans to South Africa or Namibia or any corporation doing business in South Africa.

City Action: Cambridge In February 1980 the Cambridge Retirement Board announced that it would make no new investments in corporations which do business in South Africa.

*MICHIGAN

State Action: In December 1982 the state legislature passed a law requiring public educational institutions to sell all investments in corporations operating in South Africa. This followed a 1980 law prohibiting the deposit of state funds in banks making loans to South Africa. Rep. Perry Bullard and Rep. Virgil Smith sponsored both bills. OThis spring Rep. Smith and Rep. Bullard will introduce bill to divest public employee pension funds and legislative pension funds from corporations doing business in South Africa within five years. The Michigan Coalition on Southern Africa is mobilizing public support for the successful legislation.

City Action: Detroit In November 1984, the Detroit City Council unanimously passed a resolution proposed by Councilwoman Barbara-Rose Collins supporting divestment of pension funds and general municipal funds and instructing the Law Department to draw up a binding ordinance.

City Action: East Lansing On August 3, 1977 the city council passed a resolution authorizing selective purchasing favoring corporations which do not have investments, licenses, or operations in South Africa. A statement to this effect, signed by the mayor, is attached to all invoices and bids.

City Action: Grand Rapids The City Commission passed an amendment to the city investment policy on October 26, 1982 prohibiting the deposit of idle funds in banks making loans to the South African government or to corporations doing business in South Africa.

***MINNESOTA**

State Action: On January 15, 1985 Rep. Randy Staten introduced H.F. 122 to divest the state pension fund from corporations investing in South Africa and banks making loans to the South African government or national corporations. The bill would also give preference in state purchasing to corporations which do not invest in South Africa. The bill is in the Government Operations Committee and won't be heard this session. Senator Allan Spear will be introducing the bill in the Senate. Sen. Bill 367 prohibits the sale of Krugerrands and is in the Commerce Committee.

MONTANA

State Action: S.B. 295 introduced by Sen. Dorothy Eck providing for divestment from banks and corporations investing in South Africa within three years failed in the Senate on a 29-21 vote in February 1985. The Montana Peace Legislative Council which worked with Sen. Eck on the bill felt they had done very well for their initial effort and are determined to try again in the 1987 session of the legislature.

NEBRASKA

State Action: On April 9, 1984 the Nebraska legislature passed a divestment bill sponsored by Senator Ernest Chambers. The bill calls for divestment of pension funds from corporations that do not meet "the highest rating of the Sullivan Principles." It will take effect as of January 1, 1987. In 1980 Nebraska passed a divestment resolution sponsored by Senator Chambers.

***NEVADA**

State Action: Sen. Joe Neal introduced S.B. 58 mandating divestment of state pension funds in January 1985. It passed in Committee and is awaiting a vote in the Senate.

***NEW JERSEY**

State Action: Assemblyman Willie Brown's bills mandating pension fund divestment and reinvestment of the proceeds in New Jersey to the extent practicable (H.B. 1309 H.B. 1308) passed the Assembly on May 14th and will be before the Senate.

City Action: Atlantic City In April 1983 Atlantic City passed an ordinance providing for divestment within two years from banks with loans to South Africa or corporations with operations in South Africa.

City Action: Newark On August 8, 1984 Newark adopted an ordinance mandating divestment from banks and corporations with loans or investments in South Africa or Namibia within two years. The ordinance also bans city purchases from corporations which operate in South Africa.

City Action: Rahway In June 1984 Rahway passed an ordinance prohibiting the deposit of city funds in banks with loans to the South African government, its national corporations or to any corporation investing in South Africa.

***NEW MEXICO**

State Action: Rep. Cisco McSorley introduced H.M.16 to prohibit deposits of state funds in banks which loan to South Africa. The bill died in the House Rules Committee.

***NEW YORK**

State Action: Deputy Speaker Arthur Eve and Assemblyman Herman D. Farrell have introduced A.B. 250 calling for divestment of state pension funds over three years and no deposit of state pension funds in banks making loans to the South African government or its national corporations. The bill also mandates divestment from corporations supplying strategic materials or services to South Africa. Senator Leon Bogues has introduced a companion bill S.B. 1242 in the Senate.

City Action: New York City As a result of negotiations between the City Administration and District Council 37 AFSCME Intro. 900 was passed unanimously and signed by Mayor Koch on March 15, 1985. The ordinance, which was supported by the City Council President and the Council leadership, prohibits the deposit of city funds in banks which make loans to the South African government or advertise or promote Krugerrands. It also bans city purchases of South African goods and severely restricts purchases from corporations which sell to the South African military, police, prisons, or the Ministry of Cooperation and Development. The passage resulted from strong labor and community support for Intro. 619 introduced by Councilmember Ruth Messinger which would have banned purchases not only of South African goods but of goods manufactured by U.S. corporations which invest in South Africa. In August 1984 the Trustees of the New York City Employees Retirement System voted to divest over five years from all corporations operating in South Africa except those judged to be actively aiding the struggle against apartheid. It is estimated that \$665,000,000 will be affected.

County Action: Rockland County has voted to ban the deposit of county funds in Barclays Bank because of its operations in South Africa and its support of British rule in Northern Ireland.

***OHIO**

State Action: Sen. William Bowen has introduced S.B. 57 in the 1985 session of the legislature modeled on the bill which the Senator sponsored in 1984 and which failed on December 19. The bill won a 16-14 majority but it needed 17 votes to pass. It would have required divestment of state pension funds by January 1, 1986 and prohibited the deposit of pension funds in banks with loans to the South African government, any South African corporations, or U.S. corporations with investments in South Africa.

City Action: Cincinnati On January 16, 1985 the city council passed a resolution introduced by Councilmember Marian Spencer adopting a city policy of divesting city funds from all corporations which do business in South Africa.

City Action: Cleveland On March 12, 1984 the county of Cuyahoga which includes Cleveland passed a unanimous binding resolution sponsored by Commissioner Timothy Hagan calling on the County Investment Advisory

Board not to invest public funds in banks dealing with the government of South Africa.

City Action: Youngstown The Youngstown City Council passed an ordinance on January 16, 1985 introduced by Councilmember Herman Pete Starks mandating the withdrawal of city funds from any bank with investments in South Africa or in institutions related to the South African government or Namibia. It was signed into law by the Mayor on January 24, 1985.

***OREGON**

State Action: Rep. James Hill and Rep. Margaret Carter introduced divestment legislation on February 14, 1985 with the help of Portlanders Organized for a Free South Africa. Hearings on H.B. 2001 started in March and continued through April.

***PENNSYLVANIA**

State Action: Sen. Freeman Hankins introduced S.B. 956 on January 23 calling for no new investment of state funds in corporations investing in South Africa. He is planning to follow this later with other South Africa related bills. In the House Rep. David Richardson and Speaker Leroy Irvis introduced bill No. 6 the same day to divest the state educational fund. A similar bill, H.B. 1400 passed the House in 1984 but failed to come up for a vote in the Senate. Pennsylvania Divest is building community support for divestment.

City Action: Philadelphia On June 4, 1982 the Philadelphia City Council unanimously passed a divestment ordinance providing for the withdrawal of city pension funds within two years from any corporation investing in South Africa or any bank making loans to the government of South Africa or Namibia. The bill has already resulted in the divestment of \$100 million in securities from the city pension fund. Councilman Cohen has introduced bill No. 251 calling for a ban on purchases from corporations doing business in South Africa or Namibia.

City Action: Pittsburgh The Pittsburgh Pension Board voted to adopt a divestment policy on January 17. At present 13 companies in the \$15 million pension fund invest in South Africa. Implementation will be worked out with the pension fund managers.

***RHODE ISLAND**

State Action: Rep. Raymond Fogarty and Senator David Carlin have introduced bills for divestment of state pension funds in the 1985 legislative session. R.I. Divest is mobilizing support.

***TEXAS**

State Action: Rep. Al Edwards has introduced H.B. 47 calling for a prohibition on new investment of state educational funds in corporations doing business in South Africa.

City Action: Dallas The Mayor of Dallas has appointed a panel to study city divestment and make a report on whether it is desirable or feasible.

***VERMONT**

State Action: Rep. Micque Glitman introduced H.B. 210 on February 5, 1985 calling for divestment of all state funds from banks and corporations with loans or investments in South Africa or Namibia. The bill has been referred to the Governmental Operations Committee which held hearings in late February. Rep. Glitman is working closely with the Vermont Coalition on Southern Africa.

City Action: Burlington On April 30, 1985 the City Council unanimously passed a divestment ordinance which will result in the divestment of \$1,8 million.

VIRGINIA

City Action: Charlottesville In December 1984 Charlottesville adopted an ordinance requiring divestment of city pension funds from corporations with operations in South Africa which have not signed or adhered to the Sullivan Principles. The ordinance is expected to result in the divestment of between \$700,000 and \$1 million from the city's \$9.3 million pension fund.

***WASHINGTON**

State Action: Senator George Fleming has introduced S.B. 3227 in the 1985 session of the legislature providing for divestment of all state pension funds within three years It also prohibits depositing pension funds in banks which make loans to the South African government or national corporations. All divested funds are to be reinvested in Washington to the extent that this is fiscally prudent.

City Action: Seattle Seattle City Council passed a resolution in December 1984 directing the City Investment Committee headed by the Mayor to prepare legislation to remove all public funds from banks which do business with South Africa. The Seattle Coalition Against Apartheid and the American Friends Service Committee are working on both the city and state legislation.

***WASHINGTON D.C.**

City Action: On October 4, 1983 the Washington D.C. City Council unanimously passed a divestment ordinance introduced by Councilman John Ray providing for no deposit of D.C. pension funds from banks with loans to the South African government, it's national corporations or to U.S. corporations for investment in South Africa and divestment from corporations with investments in South Africa. The divestment is to take place over a two year period. This ordinance, like all actions of the D.C. city council was subject to Congressional review. A resolution to overturn the divestment bill was defeated in the House District of Columbia Committee on bipartisan 10-2 vote. Councilman Ray introduced a selective purchasing bill at the end of February 1985.

***WISCONSIN**

State Action: Rep. Marcia Coggs along with 36 co-sponsors has introduced AB 54 calling for full divestment of state pension funds over a three year period. A companion bill in the Senate has 17 co-sponsors. The bill would affect approximately 2 1/2 billion of a \$8 billion pension fund. The Madison Area Committee on Southern Africa is organizing support for the bill.

City Action: Madison: In December 1976 the city passes an ordinance establishing the principle of selective purchasing. The city was required to make public the corporations with which it had contracts and to seek contracts with corporations that were not in South Africa. Investment in South Africa was an enforceable reason for ending the contract.

VIRGIN ISLANDS

Territorial Action: In October 1984 the Virgin Islands Territorial Senate passed a bill calling for divestment of the \$35 million territorial pension fund within two years.

*Denotes a state with current (1985) activity.

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