STAND. COM. REP. NO. 12

Honolulu, Hawaii

MAR 0 3 2023

RE: S.B. No. 1311 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 1311, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE REPEAL OF ACT 192, SESSION LAWS OF HAWAII 2007,"

beg leave to report as follows:

The purpose and intent of this measure is to repeal Act 192, Session Laws of Hawaii 2007, which requires the Employees' Retirement System to divest itself of investments in companies that provide support for the genocide in Darfur, Sudan, and to provide annual reports to the Legislature on the status of those divestments.

Your Committees received testimony in support of this measure from the Employees' Retirement System Board of Trustees. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that the Legislature enacted Act 192, Session Laws of Hawaii 2007 (Act 192), to voice its opposition to the humanitarian crisis that was occurring in Darfur, Sudan, and to place economic pressure on the Sudanese Government by joining the international community in establishing sanctions. To that end, Act 192 prohibited the Employees' Retirement System (ERS) from investing in companies that do business with Sudan and

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required the ERS administrator to identify and monitor those companies.

Your Committees further find that Act 192 was to remain in effect only insofar as it continued to be consistent with the foreign policy of the United States. Further, Act 192 set forth specific triggering conditions that, upon their occurrence, would necessitate its repeal. Your Committees find that one or more of these triggering conditions was satisfied by the following: (1)Executive Order 13761 of January 13, 2017, Recognizing Positive Actions by the Government of Sudan and Providing for the Revocation of Certain Sudan-Related Sanctions; (2) Department of State Public Notice 10156, Notice Regarding Positive Actions by the Government of Sudan; and (3) the Presidential Memorandum of October 26, 2020, Certification Pursuant to Section 6(E) of the Comprehensive Peace in Sudan Act of 2004, as Amended by the Darfur Peace and Accountability Act of 2006. Therefore, this measure accordingly repeals Act 192.

Your Committees have amended this measure by making it effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1311, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1311, S.D. 2.

> Respectfully submitted on behalf of the members of the Committees on Judiciary and Ways and Means,

KARL RHOADS, Chair



DONOVAN M. DELA CRUZ,



The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral: Date:							
53 1311 501	LBT, JDC/WAM 3/3/23							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
RHOADS, Karl (C)								
GABBARD, Mike (VC)		V/	/					
ELEFANTE, Brandon J.C.								
SAN BUENAVENTURA, Joy A		\checkmark						
AWA, Brenton				V				
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TOTAL		H		l				
Recommendation:								
Adopted Not Adopted								
Chair's or Designed's Signature:								
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*Only <u>one</u> measure per Record of Votes

The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:				
SB1311 SD)	LBT, JDC WAM		٩	3/3/23				
The Committee is reconsidering its previous decision on this measure.								
The Recommendation is:								
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR) Nay	Excused			
DELA CRUZ, Donovan M. (C)		X						
KEITH-AGARAN, Gilbert S.C. (VC)		X						
AQUINO, Henry J.C.		X						
DECOITE, Lynn		X						
INOUYE, Lorraine R.		X						
KANUHA, Dru Mamo		X						
KIDANI, Michelle N.		X						
KIM, Donna Mercado		X						
LEE, Chris		X						
MORIWAKI, Sharon Y.		X						
SHIMABUKURO, Maile S.L.		X						
WAKAI, Glenn		X						
FEVELLA, Kurt					X			
TOTAL		12			,			
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Recommendation:								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only <u>one</u> measure per Record of Votes