

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 12-203—SB 285**  
*Appropriations Committee*

**AN ACT CONCERNING THE MACBRIDE PRINCIPLES**

**SUMMARY:** This act gives the state treasurer greater discretion in divesting state funds invested in companies doing business in Northern Ireland that have not implemented the MacBride principles (see BACKGROUND). By law, the state treasurer must review the state's investments to determine how much money is invested in such companies. The act allows, rather than requires, her to divest state funds and cease future investments in these companies. It also eliminates a requirement that she limit any future investments, including funds withdrawn from noncomplying companies, in companies doing business in Northern Ireland to those that are following the principles.

Existing law also requires the treasurer to take appropriate steps, including urging support for shareholder initiatives, to encourage noncomplying companies to adopt and implement the MacBride principles. The act requires her to do so whenever feasible and consistent with her fiduciary duties.

The act requires the treasurer, at least once per fiscal year, to report to the Investment Advisory Council on her actions under these provisions. It sunsets the divestment and reporting requirements on December 31, 2019.

The act also makes technical changes.

EFFECTIVE DATE: July 1, 2012

**BACKGROUND**

*MacBride Principles*

The MacBride principles are a corporate code of conduct for U.S. companies doing business in Northern Ireland. The principles were initiated, proposed and launched by the Irish National Caucus in November 1984 and designed to address religious discrimination in the workplace. They consist of nine fair employment and affirmative action principles, including the requirement that companies (1) increase the employment of underrepresented religious groups in all levels of the workforce, (2) ban provocative religious or political emblems from the workplace, (3) make special efforts to recruit job applicants from underrepresented religious groups, and (4) establish procedures to identify and recruit minority employees for job advancement.

OLR Tracking: RP:JRO:PF:eh