

1.1 moves to amend H.F. No. 1826, the delete everything amendment
1.2 (H1826DE1), as follows:

1.3 Page 57, after line 8, insert:

1.4 "Sec. 6. [118A.11] INVESTMENTS THAT DISCRIMINATE AGAINST CERTAIN
1.5 MINNESOTA-BASED ENERGY OR NATURAL RESOURCES, AGRICULTURAL,
1.6 OR LIVESTOCK COMPANIES.

1.7 Subdivision 1. Definition. For the purposes of this section, "government entity" has the
1.8 meaning under section 118A.01, subdivision 2, and also includes self-insurance pools under
1.9 section 471.982, subdivision 3.

1.10 Subd. 2. Investments that discriminate against certain Minnesota-based energy or
1.11 natural resources, agricultural, or livestock companies; divestment required. (a) A
1.12 government entity must not invest in assets that intentionally exclude Minnesota-based
1.13 energy or natural resources companies or Minnesota-based agricultural or livestock
1.14 companies to further the asset's environmental-, social-, or governance-based grade or rating.
1.15 A government entity must sell, redeem, or withdraw, in a fiscally prudent manner and
1.16 consistent with applicable laws and regulations not in conflict with this section, all direct
1.17 holdings of assets not in compliance with this requirement.

1.18 (b) At least quarterly, the treasurer or chief financial officer of a government entity must
1.19 report to the governing body of the government entity on the status of any actions taken
1.20 under this subdivision.

1.21 Subd. 3. Actively managed investment funds. A government entity must submit letters
1.22 to the managers of actively managed investment funds containing assets that would otherwise
1.23 be subject to sale, redemption, or withdrawal under subdivision 2 requesting the managers
1.24 to consider removing those assets from the fund or to create a similar actively managed

2.1 fund with indirect holdings that do not include those assets. If a manager creates a similar
2.2 fund, a government entity shall promptly replace all applicable investments with investments
2.3 in the similar fund consistent with prudent investing standards. For purposes of this section,
2.4 private equity funds shall be deemed to be actively managed investment funds.

2.5 Subd. 4. **Other legal obligations.** A government entity, including its chief elected official
2.6 and staff, is exempt from any statutory or common law obligations that conflict with actions
2.7 taken in compliance with this section, including all good-faith determinations regarding
2.8 companies as required by this section and any obligations regarding the choice of asset
2.9 managers, investment funds, or investments for the government entity's securities portfolios.

2.10 Subd. 5. **Severability.** The provisions of this section are severable. If any provision of
2.11 this section or its application is held invalid, that invalidity does not affect other provisions
2.12 or applications that can be given effect without the invalid provision or application.

2.13 **EFFECTIVE DATE.** This section is effective the day following final enactment."

2.14 Page 65, after line 17, insert:

2.15 "Sec. 18. **COMPLIANCE SCHEDULE.**

2.16 (a) To the extent practicable, the sale, redemption, or withdrawal of assets under section
2.17 6 of this article must be completed according to the following schedule:

2.18 (1) at least 50 percent of any direct holdings must be removed from a government entity's
2.19 assets under management by nine months after the effective date of this act; and

2.20 (2) 100 percent of any direct holdings must be removed from a government entity's
2.21 assets under management within 15 months after the effective date of this act.

2.22 (b) This section does not apply to indirect holdings in actively managed investment
2.23 funds.

2.24 **EFFECTIVE DATE.** This section is effective the day following final enactment."

2.25 Renumber the sections in sequence and correct the internal references