

Subject Divestment; Russia and Belarus

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Overview

This bill requires the State Board of Investment to sell, redeem, or withdraw all direct holdings of assets connected to the countries of Russia or Belarus, including those issued by companies with a principal place of business in those countries.

The bill further requires state agencies to review existing contracts to determine whether any contracts exist with a Russian or Belarussian entity. To the extent any contracts exist, they must be promptly terminated, as practicable.

Summary

Section	Description
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1	Investment in Russia and Belarus.
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Requires the State Board of Investment (SBI) to sell, redeem, or withdraw all direct holdings of certain assets connected to the countries of Russia or Belarus, including securities issued by companies with a principal place of business in one of those countries. The SBI is further prohibited from acquiring securities that must be sold, redeemed, or withdrawn under this bill. The executive director of the SBI must provide quarterly reports to the board on the status of these actions.

To the extent practicable, at least 50 percent of affected assets must be sold, redeemed, or withdrawn within nine months of the effective date of this section. 100 percent of the affected assets must be sold, redeemed, or withdrawn within 15 months after the effective date.

A number of additional details are included in this section, including the relationship of these assets to requirements of federal law, certain exemptions, and requirements related to indirect holdings of the SBI.

A legislative report is due by January 15 of each year.

Section	Description
2	<p data-bbox="316 262 755 294">Contracts with Russia or Belarus.</p> <p data-bbox="316 304 1429 499">Requires state agencies to review existing state contracts to determine whether any include a Russian entity or Belarussian entity as a party. These contracts must be promptly terminated, as practicable. Agencies are further prohibited from entering contracts with a Russian or Belarussian entity until the head of the agency determines that no suitable alternative exists. Additional details are provided.</p>



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