

By: Senator(s) Harkins, Robinson, Chism,  
Fillingane, England, Hill, Branning, McLendon

To: Finance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2226

1 AN ACT TO AMEND SECTION 27-117-15, MISSISSIPPI CODE OF 1972,  
2 TO EXTEND THE REPEAL DATE OF THE ISRAEL SUPPORT ACT OF 2019; TO  
3 AMEND SECTION 27-117-5, MISSISSIPPI CODE OF 1972, TO MAKE  
4 TECHNICAL CORRECTIONS TO NUMBERING; TO BRING FORWARD SECTIONS  
5 27-117-1, 27-117-3, 27-117-7, 27-117-9, 27-117-11 AND 27-117-13,  
6 MISSISSIPPI CODE OF 1972, TO WHICH CONSTITUTE THE ISRAEL SUPPORT  
7 ACT OF 2019, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR  
8 RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** Section 27-117-15, Mississippi Code of 1972, is  
11 amended as follows:

12 27-117-15. This chapter shall stand repealed from and after  
13 July 1, \* \* \* 2028.

14 **SECTION 2.** Section 27-117-5, Mississippi Code of 1972, is  
15 amended as follows:

16 27-117-5. **Duties of the Executive Director of the Department**  
17 **of Finance and Administration.** (1) \* \* \* Before December 31,  
18 2019, the Executive Director of the Department of Finance and  
19 Administration shall develop or contract to develop, using  
20 credible information available to the public, a list of companies  
21 determined to engage in a boycott of Israel, as described in this



22 section. When completed, the list must be posted on the website  
23 of the Department of Finance and Administration.

24 ( \* \* \*2) The executive director shall update the list by  
25 July 1 of every year.

26 ( \* \* \*3) Before a company is included on the finalized  
27 initial list or updated list, the executive director must do all  
28 of the following:

29 ( \* \* \*a) Provide ninety (90) days' written notice of  
30 the executive director's intent to include the company on the  
31 list. The notice must inform the company that inclusion on the  
32 list will make the company ineligible for investment by the State  
33 or Public Employees Retirement System. The notice also must  
34 specify that the company, if it ceases its boycott of Israel, may  
35 be removed from the list.

36 ( \* \* \*b) The executive director shall provide a  
37 company with an opportunity to comment in writing that it is not  
38 engaged in a boycott of Israel. If the company demonstrates to  
39 the executive director that the company is not engaged in a  
40 boycott of Israel, the company shall not be included on the list.

41 ( \* \* \*4) The executive director shall make every effort to  
42 avoid including a company on the list erroneously.

43 **SECTION 3.** Section 27-117-1, Mississippi Code of 1972, is  
44 brought forward as follows:

45 27-117-1. **Short title.** This chapter shall be known and may  
46 be cited as the "Israel Support Act of 2019."



47           **SECTION 4.** Section 27-117-3, Mississippi Code of 1972, is  
48 brought forward as follows:

49           27-117-3. **Definitions.** As used in this chapter, the  
50 following words and phrases shall have the meanings ascribed in  
51 this section unless the context clearly indicates otherwise:

52           (a) "Boycott Israel" or "boycott of Israel" means  
53 refusing to deal, terminating business activities, or taking other  
54 actions to limit commercial relations with Israel, or persons or  
55 entities doing business in Israel or in Israeli-controlled  
56 territories, in a discriminatory manner. A statement by a company  
57 that it is participating in a boycott of Israel, or that it has  
58 initiated a boycott in response to a request for a boycott of  
59 Israel or in compliance with, or in furtherance of, calls for a  
60 boycott of Israel, may be considered by the public fund to be  
61 evidence that a company is participating in a boycott of Israel.  
62 The term does not include restrictive trade practices or boycotts  
63 fostered or imposed by foreign countries against Israel.

64           (b) "Company" means an organization, association,  
65 corporation, partnership, joint venture, limited partnership,  
66 limited liability partnership, limited liability company, or other  
67 entity or business association, including all wholly owned  
68 subsidiaries, majority-owned subsidiaries, and parent companies,  
69 that exists for the purpose of making profit.

70           (c) "Expense" means all explicit costs associated with  
71 divesting of investments, including, but not limited to, trading



72 costs, brokerage commissions, and any realized losses, and all  
73 implicit costs, including, but not limited to, lost opportunity  
74 costs resulting from the prohibition from making certain  
75 investments.

76 (d) "Investment" means a commitment or contribution of  
77 funds or property, whatever the source, a loan or other extension  
78 of credit, and the entry into or renewal of a contract for goods  
79 or services. The term "investment" does not include indirect  
80 beneficial ownership through index funds, commingled funds,  
81 limited partnerships, derivative instruments or the like.

82 (e) "Public fund" means the Public Employees'  
83 Retirement System and the Treasurer's office.

84 (f) "Scrutinized companies" means companies that  
85 boycott Israel or engage in a boycott of Israel.

86 **SECTION 5.** Section 27-117-7, Mississippi Code of 1972, is  
87 brought forward as follows:

88 27-117-7. **Limitation on the Public Employees' Retirement**

89 **System and State Treasury Investments.** (1) The Public Employees'  
90 Retirement System and the State Treasurer may not invest funds  
91 with a company that is identified on a list created pursuant to  
92 Section 27-117-5 as a company engaging in a boycott of Israel.

93 (2) Any existing investments in violation of this chapter as  
94 of July 1, 2020, must be divested when prudent to do so but not  
95 later than one hundred twenty (120) days after the posting is made  
96 on the website of the Department of Finance and Administration.



97           **SECTION 6.** Section 27-117-9, Mississippi Code of 1972, is  
98 brought forward as follows:

99           27-117-9. **Exception to investment prohibition.**

100 Notwithstanding the provisions of Section 27-117-7, an investment  
101 may be made in a company engaged in a boycott of Israel, on a case  
102 by case basis, if:

103           (a) The investment was made before December 31, 2019,  
104 and the company has adopted, publicized and is implementing a  
105 formal plan to cease the boycott of Israel and to refrain from  
106 engaging in any new boycott of Israel; or

107           (b) The investor makes a determination that the  
108 investments are necessary in order to perform its functions.

109           **SECTION 7.** Section 27-117-11, Mississippi Code of 1972, is  
110 brought forward as follows:

111           27-117-11. **Limitation of chapter due to fiduciary**

112 **obligations.** Nothing in this chapter shall be construed to  
113 require the Public Employees' Retirement System of Mississippi or  
114 the State Treasurer or their agents to take any action as  
115 described in this chapter unless it is determined, in good faith,  
116 that: the action described in this chapter is consistent with the  
117 fiduciary responsibilities of the Public Employees' Retirement  
118 System of Mississippi or the State Treasurer or their agents; and  
119 there are appropriated funds of the state to absorb the expenses  
120 necessary to implement this chapter.



121           **SECTION 8.** Section 27-117-13, Mississippi Code of 1972, is  
122 brought forward as follows:

123           27-117-13. **Indemnification of employees and officials for**  
124 **compliance with this chapter.** Present, future and former board  
125 members, officers, employees and agents of the Public Employees'  
126 Retirement System and the Department of Finance and  
127 Administration, as well as present, future and former State  
128 Treasurers, officers and employees of the State Treasurer and  
129 agents retained by the State Treasurer, must be indemnified from  
130 the State General Fund and held harmless by the state from all  
131 claims, demands, suits, actions, damages, judgments, costs,  
132 charges and expenses, including court costs and attorney's fees,  
133 and against all liability, losses and damages of any nature  
134 whatsoever that these present, future or former board members,  
135 officers, employees, agents or contract investment managers shall  
136 or may at any time sustain by reason of any decision to restrict,  
137 reduce or eliminate investments pursuant to this chapter.

138           **SECTION 9.** This act shall take effect and be in force from  
139 and after July 1, 2024.

