

# **WEST VIRGINIA LEGISLATURE**

## **2022 REGULAR SESSION**

### **Originating**

## **Senate Bill 730**

BY SENATORS TARR, SYPOLT, BALDWIN, BROWN,  
CLEMENTS, GEFFERT, HAMILTON, JEFFRIES, MARONEY,  
MARTIN, NELSON, PLYMALE, ROBERTS, STOLLINGS, AND  
SWOPE

[Originating in the Committee on Finance;  
reported February 28, 2022]



1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,  
2 designated §12-9-1, §12-9-2, and §12-9-3, all relating generally to authorizing divestment  
3 of state-managed funds from companies engaged in certain activities involving Russia or  
4 Russian energy; setting forth legislative findings; defining terms; authorizing public  
5 investment entities in the state to divest from Russia-restricted companies; providing that  
6 divestment from Russia-restricted companies does not violate code provisions related to  
7 prudent investment and fiduciary duties; and limiting liability of public officials or  
8 employees and members or employees of public investment entities for divestment from  
9 Russia-restricted companies.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 9. DIVESTMENT FROM RUSSIA-RESTRICTED COMPANIES.**

**§12-9-1. Legislative findings.**

1 (a) On February 24, 2022, Russian troops invaded the sovereign nation of Ukraine,  
2 carrying out an unprovoked and premeditated attack that has already led to loss of life and has  
3 threatened to destabilize global security;

4 (b) The United States government and its allies have announced substantial economic  
5 sanctions against Russia and Russian government-related individuals in an effort to deter the  
6 Russian military from the ongoing attack on Ukraine;

7 (c) The Ukrainian ambassador to the United States has called upon American businesses  
8 to cut ties with Russia to support Ukraine's efforts to fend off Russia's invasion; and

9 (d) The West Virginia Legislature supports economic sanctions against Russia in response  
10 to Russia's unjustifiable aggression toward Ukraine and intends, by this section, to authorize and  
11 encourage state investment entities to restrict the investment or use of state funds from supporting  
12 the Russian government or Russian-state owned companies while the attack on Ukraine is  
13 ongoing.

**§12-9-2. Definitions**

1           For the purposes of this article:

2           “Public investment entity” means any department, agency, board, commission, institution,  
3 spending unit, or instrumentality of state or local government that is authorized to invest or  
4 manage state or local government assets or oversee the investment of state or local government  
5 assets by a third-party financial institution or asset manager. The term includes, but is not limited  
6 to, the West Virginia Investment Management Board and the West Virginia Board of Treasury  
7 Investments.

8           “Russia-restricted company” includes any company, institution, or other entity that meets  
9 any of the following criteria:

10           (A) The entity has business operations that involve contracts with or provision of supplies  
11 or services to the government of Russia, companies in which the government of Russia has any  
12 direct or indirect equity share, consortiums or projects commissioned by the government of  
13 Russia, or companies involved in consortiums or projects commissioned by the government of  
14 Russia;

15           (B) More than 10 percent of the entity’s revenues produced in or assets located in Russia  
16 involve oil- or gas-related activities or mineral extraction activities;

17           (C) The entity is a financial institution with its principal place of business or headquarters  
18 in Russia; or

19           (D) The entity engages in substantial operations that support or facilitate the government  
20 of Russia in its aggression toward other sovereign nations.

**§12-9-3. Divestment authorized; limitation of liability.**

1           (a) Notwithstanding any provision of this code to the contrary, a public investment entity  
2 is authorized to sell, redeem, divest, or withdraw all holdings of Russia-restricted companies from  
3 the entity’s assets under management.

4           (b) An action by a public official, public employee, or member or employee of a public  
5 investment entity that complies with a requirement of this section does not violate the Uniform  
6 Prudent Investor Act, contained in §44-6C-1 et seq. of this code, or any other provision in this  
7 code related to fiduciary duties or responsibilities.

8           (c) With respect to actions taken pursuant to this section, a public employee, or member  
9 or employee of a public investment entity is immune from civil or criminal liability.