

1 State of Arkansas

2 80th General Assembly

3 Regular Session, 1995

H.C.R.

1003

4 By: Representatives Flanagin and Goodwin

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HOUSE CONCURRENT RESOLUTION

8 REQUESTING THE JOINT INTERIM COMMITTEE ON AGING AND
9 LEGISLATIVE AFFAIRS TO STUDY THE ISSUE OF SOCIAL INVESTING
10 BY PRIVATE AND PUBLIC FUNDS TO DETERMINE ITS IMPACT ON THE
11 FINANCIAL RESOURCES OF ELDERLY ARKANSANS AND IF IT SHOULD
12 CONTINUE AS A PART OF PUBLIC POLICY

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Subtitle

15 REQUESTING A STUDY OF THE ISSUE OF SOCIAL INVESTING BY
16 PRIVATE AND PUBLIC FUNDS

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18 WHEREAS, the public policy of so-called "social investing" has
19 developed in recent years using the billions of dollars of financial muscle
20 in the accumulated assets of public and private pension funds to encourage
21 certain kinds of public policy which are unrelated to the prime purpose of
22 the pension fund; and

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24 WHEREAS, during the most recent economic recession, several states,
25 like California, which were hit hard by the economic downturn encouraged
26 their public pension funds to invest a portion of its assets in local areas,
27 local companies, local real estate developments, and other local economic
28 development projects to fuel capital development and job growth in the
29 state's economy,

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31 NOW THEREFORE,

32 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTIETH GENERAL
33 ASSEMBLY OF THE STATE OF ARKANSAS, THE SENATE CONCURRING THEREIN:

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35 THAT the House of Representatives of the Eightieth General Assembly of

1 the State of Arkansas respectfully requests the Joint Interim Committee on
2 Aging and Legislative Affairs to study the issue of social investing by
3 public and private pension funds to determine its impact on the financial
4 resources of older Arkansans, to examine whether any of these social policies
5 negatively-affected investments in breach of the fiduciary duty owed to the
6 fund's aging members, and if the government of Arkansas should continue to
7 allow this kind of investing to occur in the future as a part of public
8 policy in Arkansas.

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