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94th Arkansas General Assembly/Environmental/Social Justice or Governance Scores or Metrics: Providing the State Treasurer Divesture Power to Address Discrimination

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Senate Bill 41 ("SB41") has been filed in the 94th Arkansas General Assembly which would provide that the Treasurer of the State of Arkansas:

. . . shall divest the state of stocks, securities, or other obligations if a financial services provider or an investment manager discriminates without a reasonable business purpose against certain businesses involved in the energy, fossil fuel, firearms, or ammunition industries or investments based on the use of environmental, social justice, or other governance-related factors . . .

A similar provision is provided that is applicable to public entities and their relationships with financial services providers.

A new Subchapter 10 would be added to Ark. Code Title 25, Chapter 1, titled:

Environmental, Social Justice or Governance Scores or Metrics

The legislation provides in part a finding that:

. . . Certain government regulators are using their regulatory power over the banking and financial systems to drive political agendas which distort limited government, free market, and free speech principles . . .

SB41 has been referred to the Senate Insurance and Commerce Committee.

A copy of the legislation can be downloaded [here](#).