

STATE OF NEW YORK

9547

IN ASSEMBLY

January 23, 2018

Introduced by M. of A. TITONE -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to prohibiting the investment of public funds in companies with mandatory arbitration and non-disclosure agreements

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The retirement and social security law is amended by adding
2 a new section 423-d to read as follows:

3 § 423-d. Investment of public funds in companies with mandatory arbi-
4 tration agreements. 1. On and after the effective date of this section,
5 no moneys or assets of the common retirement fund shall be invested in
6 the stocks, securities or other obligations of any institution or compa-
7 ny that enters into any agreement with any of its employees or independ-
8 ent contractors that requires, as a condition of employment, that the
9 employee or independent contractor agree to resolve through arbitration
10 any claim under title VII of the Civil Rights Act of 1964, article 15 of
11 the executive law, the civil rights law, or any tort related to or aris-
12 ing out of sexual assault or harassment, including but not limited to
13 assault, intentional infliction of emotional distress, false imprison-
14 ment, or negligent hiring, supervision, or retention, and/or requires,
15 as a condition of employment, that the employee or independent contrac-
16 tor agrees to non-disclosure of any resulting settlements.

17 2. The comptroller shall take appropriate action to sell, redeem,
18 divest or withdraw any investment held in violation of the provisions of
19 subdivision one of this section. This section shall not be construed to
20 require the premature or otherwise imprudent sale, redemption, divest-
21 ment or withdrawal of an investment, but such sale, redemption, divest-
22 ment or withdrawal shall be completed not later than three years follow-
23 ing the effective date of this section.

24 3. Within sixty days after the effective date of this section, the
25 comptroller shall file with the legislature a report of all investments
26 held as of the effective date of this section which are in violation of
27 the provisions of this section. Every year thereafter, the comptroller

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 shall report on all investments sold, redeemed, divested or withdrawn in
2 compliance with this section. Each report after the initial report shall
3 provide a description of the progress which the comptroller has made
4 since the previous report and since the effective date of this section.

5 § 2. This act shall take effect on the one hundred twentieth day after
6 it shall have become a law.