STATE OF NEW YORK

9066

2025-2026 Regular Sessions

IN ASSEMBLY

September 5, 2025

Introduced by M. of A. ROSENTHAL -- 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 certain public funds with companies owned by elected officials

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

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

§ 423-d. Prohibition on investment of certain public funds with organizations owned by public officials. 1. On and after the effective date of this section, no monies or assets of the common retirement fund shall be invested in the stocks, securities, or other obligations of any institution or company of which the majority shares are owned by an elected official of any local or state government or the federal government, or by multiple local, state, or federal elected officials whose total shares make up a majority stake in such institution or company, or any institution or company doing business therewith or any subsidiary thereof. Notwithstanding any provisions of law to the contrary, no assets of any pension or annuity fund under the jurisdiction of the comptroller shall be invested in any bank or financial institution which directly or through a subsidiary has financial activities with any such institution or company or any partly-owned or wholly-owned subsidiary thereof, and no such assets shall be invested in the stocks, securities, or other obligations of any such institution or company.

2. The comptroller shall take appropriate action to sell, redeem, divest, or withdraw any investment held in violation of the provisions of this section. This section shall not be construed to require the premature or otherwise imprudent sale, redemption, divestment, or withdrawal of an investment, but such sale, redemption, divestment, or with-

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

LBD13600-02-5

drawal shall be completed not later than one year following the effective date of this section.

3. Within sixty days of the effective date of this section, the comptroller shall file with the legislature a report of all investments held as of the effective date of this section which are in violation of the provisions of this section. Every year thereafter, the comptroller shall report on all investments sold, redeemed, divested, or withdrawn in compliance with this section. Every such report after the initial report shall provide a description of the progress which the comptroller has made since the previous report and since the effective date of this section.

§ 2. This act shall take effect immediately.