

2007 ASSEMBLY RESOLUTION 19

March 13, 2008 – Introduced by Representatives KESSLER, TURNER, SINICKI, SHERIDAN, POCAN, MOLEPSKE, MASON and BERCEAU. Referred to Committee on Financial Institutions.

1 **Relating to:** divestment of State of Wisconsin Investment Board investments in
2 certain companies with ongoing business operations in Sudan.

3 Whereas, on July 23, 2004, the United States Congress declared that “the
4 atrocities unfolding in Darfur, Sudan, are genocide”; and

5 Whereas, on September 21, 2004, addressing the United Nations General
6 Assembly, President George W. Bush stated, “[A]t this hour, the world is witnessing
7 terrible suffering and horrible crimes in the Darfur region of Sudan, crimes my
8 government has concluded are genocide”; and

9 Whereas, on September 25 and 26, 2006, the U.S. Congress reaffirmed that the
10 atrocities in Darfur included “mass murder, rape, and sexual violence,” and that “an
11 estimated 300,000 to 400,000 people have been killed by the Government of Sudan
12 and its Janjaweed allies since the [Darfur] crisis began in 2003,” and that “more than
13 2,000,000 people have been displaced from their homes, and more than 250,000
14 people from Darfur remain in refugee camps in Chad”; and

1 Whereas, since 1993, the U.S. secretary of state has determined that Sudan's
2 government has repeatedly provided support for acts of international terrorism,
3 therefor restricting United States defense, financial, and other transactions with the
4 government of Sudan, and since 1997, the U.S. government has imposed sanctions
5 against the government of Sudan; and

6 Whereas, on December 31st, 2007, President George W. Bush signed the Sudan
7 Accountability and Divestment Act, which passed both houses of congress
8 unanimously, authorizing state and local governments to adopt targeted Sudan
9 divestment policies and prohibiting federal contracts with problematic companies
10 that operate in Sudan's oil, power, mineral, and military sectors; and

11 Whereas, the current Sudan divestment movement encompasses nearly 100
12 states, cities, universities, and private pension plans, and companies facing such
13 divestment present further material risk to remaining investors; and

14 Whereas, a 2006 U.S. house of representatives' report states that "a company's
15 association with sponsors of terrorism and human rights abuses, no matter how
16 large or small, can have a materially adverse result on a public company's operations,
17 financial condition, earnings, and stock prices, all of which can negatively affect the
18 value of an investment"; and

19 Whereas, companies operating in Sudan's oil, power, mining, and defense
20 sectors have severely underperformed their peers in financial markets over one year
21 and three year periods; and

22 Whereas, under IB 2.02 (7), Wis.Adm.Code, the State of Wisconsin Investment
23 Board "will seek investments in organizations which respect basic human rights and
24 will encourage managements to respect basic human rights of their employees and
25 clientele in any country, because such conduct is conducive to long run success," and

1 divestment is in accordance both with this administrative rule as well as the
2 principle that the State of Wisconsin Investment Board seek the best rate of return
3 for the portfolio for which it serves as fiduciary; now, therefore, be it

4 ***Resolved by the assembly, That*** the members of the Wisconsin assembly urge
5 the State of Wisconsin Investment Board to aggressively petition companies
6 involved in the oil, power, mining, and defense sectors of Sudan to cease ongoing
7 business operations within Sudan; and, be it further

8 ***Resolved, That*** the members of the Wisconsin assembly urge the State of
9 Wisconsin Investment Board, in accordance with the Sudan Accountability and
10 Divestment Act, to exclude companies from its portfolio that fail to respond positively
11 to its request to cease ongoing business operations within Sudan.

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(END)