2007 SENATE RESOLUTION 28

March 10, 2008 – Introduced by Senators COGGS, WIRCH, HARSDFOR, SULLIVAN, CARPENTER, ERPENBACH, TAYLOR and RISSER. Referred to Committee on Veterans and Military Affairs, Biotechnology and Financial Institutions.

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

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

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

Whereas, on September 25 and 26, 2006, the U.S. Congress reaffirmed that the atrocities in Darfur included “mass murder, rape, and sexual violence,” and that “an estimated 300,000 to 400,000 people have been killed by the Government of Sudan and its Janjaweed allies since the [Darfur] crisis began in 2003,” and that “more than 2,000,000 people have been displaced from their homes, and more than 250,000 people from Darfur remain in refugee camps in Chad”; and
Whereas, since 1993, the U.S. secretary of state has determined that Sudan’s
government has repeatedly provided support for acts of international terrorism,
therefore restricting United States defense, financial, and other transactions with the
government of Sudan, and since 1997, the U.S. government has imposed sanctions
against the government of Sudan; and

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

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

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

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

Whereas, under IB 2.02 (7), Wis.Adm.Code, the State of Wisconsin Investment
Board “will seek investments in organizations which respect basic human rights and
will encourage managements to respect basic human rights of their employees and
clientele in any country, because such conduct is conducive to long run success,” and
divestment is in accordance both with this administrative rule as well as the
principle that the State of Wisconsin Investment Board seek the best rate of return
for the portfolio for which it serves as fiduciary; now, therefore, be it

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

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

(END)