

12J.3 Identification of companies — notice.

1. *a.* By March 1, 2017, the public fund shall make its best efforts to identify or have identified all scrutinized companies in which the public fund has direct or indirect holdings or could possibly have such holdings in the future and shall create and make available to the public a scrutinized companies list for that public fund. The public fund shall review on an annual basis and update, if necessary, the scrutinized companies list.

b. In making its best efforts to identify or have identified scrutinized companies, the public fund may review and rely, in the best judgment of the public fund, on publicly available information regarding companies, and including other information that may be provided by nonprofit organizations, research firms, international organizations, and government entities. The public fund may also contact asset managers and institutional investors for the public fund to identify scrutinized companies based upon industry-recognized lists of such companies that the public fund may have indirect holdings in.

c. The Iowa public employees' retirement system, acting on behalf of the system and other public funds subject to [this section](#), may develop and issue a request for proposals for third-party services to complete the identification of scrutinized companies and the compilation of a scrutinized companies list. The Iowa public employees' retirement system shall consult with all other public funds on the development of the request for proposals. However, selection of a successful proposal and the final scope of services to be provided shall be determined only by those public funds that have agreed to utilize the third-party services. If more than one public fund decides to utilize the third-party services, the participating public funds shall equally share the costs of such services.

2. *a.* For each company on the scrutinized companies list, the public fund shall send or have sent a written notice informing the company of its status as a scrutinized company and that it may become subject to divestment and restrictions on investment in the company by the public fund. The notice shall offer the company the opportunity to clarify its activities or to cease its activities causing its inclusion on the scrutinized company list. The public fund or its representative shall continue to provide such written notice on an annual basis if the company remains a scrutinized company.

b. If, following notice as provided by [this section](#), a scrutinized company ceases activity that designates it as a scrutinized company and submits a written statement to the public fund that it has ceased engaging in activities boycotting Israel, the company shall be removed from the scrutinized companies list.

[2016 Acts, ch 1102, §3](#)

Referred to in [§12J.4](#), [§12J.5](#), [§12J.6](#)

NEW section