

12K.2 Identification of companies — notice.

1. *a.* By January 1, 2024, a public fund shall identify or have identified all prohibited companies in which the public fund has direct or indirect holdings and shall create and make available to the public a prohibited companies list for that public fund. The public fund shall review and update, if necessary, the prohibited companies list on an annual basis thereafter.

b. In identifying or having identified prohibited companies, the public fund may review and rely, in the best judgment of the public fund, on publicly available information and 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 prohibited 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 prohibited companies and the compilation of a prohibited companies list. The request for proposals may request bids for optional services related to this purpose, including but not limited to provision of notice of such prohibited companies as required in [subsection 2](#). The Iowa public employees' retirement system shall consult with all other public funds regarding 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. If a public fund determines that a company may be subject to inclusion on the prohibited companies list, the public fund shall scrutinize and engage the company for a period of not more than twelve months and shall include the company on the prohibited companies list if the public fund determines that the company is a prohibited company.

[2023 Acts, ch 58, §5](#)

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