



Representative
Margaret Carter
Democrat

NEWS RELEASE

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Committees

Human Resources
Education
Trade and Economic
Development

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FOR IMMEDIATE RELEASE

The House Committee on Human Resources has scheduled hearings for April 12, 1989 at 1:30 p.m. in Salem on two bills introduced at the request of State Treasurer Tony Meeker. House Bills 3190 and 3232, if passed, would seriously weaken the Oregon South Africa divestiture statute.

A broad coalition of Democrats and Republicans in both houses of the 1987 legislature approved a bill sponsored by Representative Margaret Carter which required the State of Oregon, by February 15, 1992 to divest itself of any stocks and bonds of American business entities which directly invest in South Africa or Namibia.

While he reports that he is actually ahead of schedule (the 1987 act set as a goal the divestiture of 1/4 of the offending stocks and bonds for each year of the four-year period), Treasurer Meeker is asking the legislature to delete the 1992 cut-off date. He has also expressed concern that he may not be able to purchase South Africa-free stocks and bonds that have as high a return as those of companies doing business in South Africa and Namibia. He therefore proposes to permit state employees, whose pension funds comprise a large portion of the state funds involved, to elect whether or not they wish to have their potential retirement funds in South Africa-Free investments.

Other states, some with shorter time frames for divestiture than Oregon, have successfully divested without loss of income and without attempting to divide state workers on matters of investment policy.

Treasurer Meeker also asked the legislature for more money to cover expenses of the divestiture law. It is inappropriate for the state treasurer to single out one of his legal responsibilities and request specific funding for it.

The Treasurer also proposes that the legislature amend the law to bar the state from purchasing goods and services from businesses investing in South Africa and Namibia. Were such a law to pass, responsibility for implementing it would, of course, be on other state government offices, not the treasurer. The potential impact of such legislation has not been analyzed by the treasurer but it would appear to be an appropriate objective which should be given consideration.

All persons and organizations who are interested in supporting the existing legislation and who object to the attempt to weaken the law are invited to contact Rep. Carter's Salem office (378-8823 or toll free number 1-800-327-7389).