



SUDAN DIVESTMENT

TASK FORCE

A project of the Genocide Intervention Network

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SUMMARY: The Sudan Accountability and Divestment Act (Public Law No: 110-174)

Signed into law on December 31, 2007

- **Section 1: Title**
- **Section 2: Definitions**

Provides definitions for material involvement in Sudan's military, mineral extraction, oil and power sectors.

- **Section 3: Authorization for state and local governments to divest from certain companies in certain sectors in Sudan**

Only authorizes targeted divestment, limiting the scope to four sectors (military, mineral extraction, oil and power) and requiring engagement of companies before divestment occurs. Authorizes state and local governments to prohibit contracts with companies in targeted sectors. Requires notification of divestment and/or contract prohibition to the Department of Justice for policies enacted after December 31, 2007.

Establishes that state or local governments adopting Sudan divestment measures and/or contract prohibition authorized in this section are not preempted by any federal law or regulation.

- **Section 4: Safe harbor for asset managers**

Provides legal protection to asset managers that divest within the parameters set forth by Section 3. Requires that asset managers disclose applicable divestment of equity and fixed income securities to the SEC.

- **Section 5: Sense of Congress regarding ERISA plans**

Affirms the right of an ERISA plan to divest from Sudan without violating ERISA as long as the investment policy change is executed in accordance with ERISA and Department of Labor guidelines.

- **Section 6: Prohibition on United States government contracts**

Requires all companies registering to receive or renew U.S. government contracts to certify that they do not conduct business related to Sudan's military, mineral extraction, oil and power sectors (as defined by Section 2). Companies unable to certify non-involvement will lose eligibility. Provides the President with a "national interest" waiver.

- **Section 7, 8, and 9: Senses of Congress regarding peace in Sudan**

Encourages other countries to adopt measures similar to this Act.

- **Section 10: Report on sanctions**

Requires the Secretary of Treasury to submit various reports regarding the effectiveness of U.S. sanctions on Sudan.

- **Section 11: Repeal of non-related reporting requirement**

- **Section 12: Termination**

Terminates the provisions of Section 3, 4, 5, 6, and 10 thirty days after the President has certified to Congress that the government of Sudan has honored its commitments to:

- Abide by United Nations Security Council Resolution 1769 (which authorizes a robust peacekeeping force for Darfur);
- Cease attacks on civilians;
- Demobilize and demilitarize the Janjaweed and associated militias;
- Grant free and unfettered access for delivery of humanitarian assistance; and
- Allow for the safe and voluntary return of refugees and internally displaced persons