



PRESS RELEASE

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CALIFORNIA GOVERNOR SIGNS IRAN DIVESTMENT BILL

“AIPAC applauds California Governor Arnold Schwarzenegger on the signing of the California Public Divest from Iran Act, landmark legislation that will divest California’s state pension funds from companies doing business with Iran’s energy and defense sectors. The largest state in the union, California is now the third state to enact legislation divesting state pension funds from Iran. The governors of Florida and Illinois signed divestment measures earlier this year.

“The California Public Employees' Retirement System (CalPRS) is the largest pension system in the nation and, when combined with the California State Teachers' Retirement System (CalSTRS), they are the largest in the world. This legislation ensures that the over two million Californians invested in CalPRS and CalSTRS will no longer be at risk by holding stock in companies subject to sanctions under American law.

“With Iran continuing to defy the international community’s demand to stop enriching uranium, it is more important than ever that every possible economic and diplomatic pressure is brought to bear on Iran to deprive it of the money it needs to pursue nuclear weapons. Iran already faces growing domestic economic instability and political unease. In combination with international actions being taken by the U.N. Security Council, America and our allies, divestment efforts could convince Iran’s leaders that its pursuit of a nuclear program is no longer worth the continued international isolation.

“AIPAC applauds the efforts of California and other states who are taking action to ensure that their retirement funds are no longer invested in companies that are providing Iran with the means to pursue its nuclear weapons program or to fund terrorism.

“By investing a state’s public pension funds in companies doing business with Iran’s petroleum and natural gas sector, state pension funds put their shareholders at financial risk because those companies are subject to sanctions under U.S. law. Divesting from these companies will reduce the risk to state investors while sending a strong signal to Iran that American states will not provide funds to help Iran advance its nuclear weapons pursuit and support terrorism.

“AIPAC commends the bill’s sponsors, California State Assemblyman Joel Anderson (R-El Cajon) and State Senators Pat Wiggins (D-Santa Rosa) and Roy Ashburn (R-Bakersfield) for their efforts to secure the passage of this important legislation.”

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