

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1561</b>
<b>Version:</b>	<b>FA1</b>
<b>Request Number:</b>	<b>13370</b>
<b>Author:</b>	<b>Rep. Duel</b>
<b>Date:</b>	<b>3/26/2025</b>
<b>Impact:</b>	<b>\$0</b>

**Research Analysis**

The floor substitute for HB1561 creates the Foreign Adversary Divestment Act of 2025, prohibiting all state and local managed funds from holding investments in any foreign adversary or any company located within, owned by or controlled by a foreign adversary. The divestment of affected public funds is required by January 1, 2036 or 10 years after the effective date of the act, whichever is earliest. Anytime a new country is added to the foreign adversary list, divestment is required within 10 years after the designation. The State Treasurer is responsible for creating a list of restricted companies that are associated with a foreign adversary and distributing the list to each state or locally managed fund within 6 months of the effective date of the act. A foreign adversary is any country designated by U.S. Secretary of State as a hostile country or a county of particular concern.

The measure also provides civil immunity and indemnification protections to officers, board members, and employees of the state pension systems for acts or omissions related to the act.

**DIFFERENCE BETWEEN FLOOR SUBSTITUTE AND COMMITTEE SUBSTITUTE:**

The floor substitute extends the divestment deadline from 2028 to 2036 and provides for a divestment deadline of 10 years every time a new country is added to the foreign adversary list. The measure also removes Section 7 from the committee substitute.

Prepared By: Quyen Do

**Fiscal Analysis**

The floor amendment to HB 1561 does not carry any fiscal impact or revenue considerations for the state, nor would it materially alter the prior fiscal impact statement. Therefore, the measure is not anticipated to have a direct fiscal impact on the state budget or appropriations.

Prepared By: Zach Lein, House Fiscal Staff

**Other Considerations**

None.