

109TH CONGRESS
1ST SESSION

H. R. 4543

To express the policy of the United States to ensure the divestiture of United States pension plans or thrift savings plans and mutual funds sold or distributed in the United States in any bank or financial institution that directly or through a subsidiary has outstanding loans to or financial activities in the Kingdom of Saudi Arabia or its instrumentalities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 14, 2005

Ms. ROS-LEHTINEN (for herself and Ms. BERKLEY) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Government Reform and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. FINDINGS.**

2 Congress finds the following:

3 (1) The Kingdom of Saudi Arabia does not pro-
4 vide legal protection for freedom of religion because
5 Salafi Islam is the official religion of the country.

6 (2) The Mutawwa'in, or religious police, has en-
7 gaged in the persecution of non-Muslims in Saudi
8 Arabia, most recently in the late May 2005 deten-
9 tion of seven Christians whose private security and
10 property were violated.

11 (3) The annual Department of State Report on
12 International Religious Freedom states that citizens
13 of Saudi Arabia are denied the freedom to choose or
14 change their religion. Specifically, conversion by a
15 Muslim to another religion is considered apostasy, a
16 crime punishable by death if the accused does not
17 recant.

18 (4) Sunni Muslims are discriminated against in
19 government employment and higher education and
20 there are still cases in textbooks and teachings of
21 anti-Shi'a instruction.

22 (5) Individuals of the Hindu and Sikh faiths
23 are considered under Sharia law to be polytheists
24 and are therefore permitted in accidental death or
25 injury compensation to be allowed only $\frac{1}{16}$ of the

1 amount a male Muslim receives in compensation in
2 similar instances.

3 (6) Saudi Arabia continues to prohibit non-
4 Muslim clergy to enter the country and conduct reli-
5 gious services, which particularly affects religious be-
6 lievers such as Catholics and Orthodox Christians
7 who require religious clergy and services regularly as
8 part of their faith.

9 (7) Many Christians in Saudi Arabia have been
10 detained and deported for praying or for other prac-
11 tices relating to the expression of their faith.

12 (8) Saudi Arabia law requires Saudi citizens to
13 carry an Iqamas, or a legal resident identity card,
14 which contains designation for “Muslim” and “non-
15 Muslim”, which leads to discrimination by the police
16 of non-Muslims.

17 (9) The Government of Saudi Arabia continues
18 to violate freedom of speech, as exhibited in the No-
19 vember 2003 case of Mansur al-Noqaidan who criti-
20 cized the Saudi Government’s response to religious
21 extremism in an editorial in The New York Times
22 and was subsequently sentenced to lashings for in-
23 cendiary comments.

24 (10) As compiled in an extensive report by
25 Freedom House, it was found that Saudi Arabia’s

1 General Presidency for Managing Research and Re-
2 ligious Fatwas disseminated through mosques in the
3 United States “Document No. 20,” which states: “It
4 is not right for a Muslim to support the unbelievers,
5 or to ask them to support him against his enemies,
6 they are the enemy, do not trust them . . . Muslims
7 should not be recruited into their Army, whether
8 they are Arabs or non-Arabs, because the unbeliever
9 is the enemy of the believer.”.

10 (11) In the same Freedom House report, it was
11 discovered that the Saudi Embassy in Washington,
12 D.C., through its Cultural Department, distributed
13 fatwas against Muslims who are seeking to obtain
14 United States citizenship, even if such individuals
15 are stateless. As an example, “Document No. 44”
16 states: “It is forbidden for a Muslim to become citi-
17 zens of a country [such as the United States] gov-
18 erned by infidels,” which exhibits a clear hatred and
19 contempt for civil society and pluralism in the
20 United States.

21 (12) The Saudi Air Force, Foreign Ministry,
22 and Embassy in Washington, D.C., have been used
23 to propagate the aforementioned hate ideology and
24 to facilitate religious extremism into the United

1 States by spreading anti-pluralistic and anti-demo-
2 cratic ideologies.

3 (13) Saudi Arabia is a country that practices
4 religious apartheid and continuously subjugates its
5 citizenry, both Muslim and non-Muslim, to a specific
6 interpretation of Islam. Saudi Arabia is a country
7 that, through its system of education and segrega-
8 tion, is a breeding pool for terrorists. Saudi Arabia
9 is a country that exports through official government
10 agencies both terrorists and its discriminatory val-
11 ues. Saudi Arabia is also a country that benefits
12 from American money through intermediate compa-
13 nies which fund such activities.

14 **SEC. 2. STATEMENT OF POLICY RELATING TO DIVESTITURE**
15 **FROM SAUDI ARABIA.**

16 It shall be the policy of the United States to work
17 to ensure that managers of United States Government
18 pension plans or thrift savings plans, managers of pension
19 plans maintained in the private sector by plan sponsors
20 in the United States, and managers of mutual funds sold
21 or distributed in the United States immediately initiate
22 efforts to divest all investments of such plans or funds
23 in any bank or financial institution that directly or
24 through a subsidiary has outstanding loans to or financial
25 activities in the Kingdom of Saudi Arabia or its instru-

1 mentalities. It shall further be the policy of the United
2 States to ensure that assets from such divestitures are not
3 to be invested in the stocks, securities, or other obligations
4 of any entity that directly or through a subsidiary is en-
5 gaged in financial activities in Saudi Arabia or its instru-
6 mentalities.

7 **SEC. 3. STATEMENT OF POLICY RELATING TO PROHIBITION**
8 **ON FUTURE INVESTMENT.**

9 It shall be the policy of the United States to ensure
10 that there is no future investment in any bank or financial
11 institution that directly or through a subsidiary has out-
12 standing loans to or financial activities in the Kingdom
13 of Saudi Arabia or its instrumentalities. It shall further
14 be the policy of the United States to ensure that no such
15 assets are invested in the stocks, securities, or other obli-
16 gations of any entity that directly or through a subsidiary
17 is engaged in business with Saudi Arabia or its instrumen-
18 talities.

19 **SEC. 4. REPORT.**

20 (a) IN GENERAL.—Not later than 30 days after the
21 date of the enactment of this Act, and every six months
22 thereafter, the Secretary of the Treasury, in consultation
23 with the Secretary of Commerce, shall submit to Congress
24 a report on all investments sold, redeemed, divested, or

1 withdrawn from the Kingdom of Saudi Arabia or its in-
2 strumentalities.

3 (b) INFORMATION TO BE INCLUDED IN REPORT.—

4 The report required by subsection (a) shall contain the
5 following information with respect to each investment de-
6 scribed in such subsection:

7 (1) The name or other identification of the enti-
8 ty.

9 (2) The amount of the investment in the entity.

10 (3) The progress made toward divestment.

11 (4) Efforts by the Department of the Treasury
12 and Department of Commerce to inform United
13 States investors of policies articulated in sections 3
14 and 4 of this Act and the policies of the Kingdom
15 of Saudi Arabia that this Act seeks to address.

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