

Offered by City Councilors Lydia Edwards and Michelle Wu



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING REGARDING PENSION FUND DISCLOSURE, SOCIALLY RESPONSIBLE INVESTMENT AND REINVESTMENT

- WHEREAS:* The City of Boston has invested billions in retirement funds across thousands of corporate stocks, funds, and currencies in sectors ranging from real estate to fossil fuel energy to defense and security contractors; and
- WHEREAS:* Retirement funds are established to protect the future wellbeing of residents and workers, yet certain investments may frustrate this goal by creating risks to society at large, while other investments may act counterproductively by denying human dignity or profiting from violations of human rights; and
- WHEREAS:* The Boston Retirement Board has a legal and moral obligation to protect City of Boston employees and retirees through fiscally prudent investment; and
- WHEREAS:* The City of Boston and Commonwealth of Massachusetts have in the past divested pensions from socially irresponsible actors when authorized by special statute, including divestment from South Africa during apartheid; and
- WHEREAS:* The state's Public Employee Retirement Administration Commission has acted to reject locally-initiated divestment plans when such plans are not accompanied by legislative mandate; and
- WHEREAS:* In November 2014, the Boston City Council held a hearing on the feasibility of fossil fuel divestment and passed a resolution urging the Commonwealth of Massachusetts to divest from fossil fuels; and
- WHEREAS:* In 2016 and 2017, Portland, Oregon adopted socially responsible investment screens to preclude city investment in unethical corporate activity; and
- WHEREAS:* In 2017, New York City's pension system divested from direct holdings in private prisons; and
- WHEREAS:* In January 2018, New York City announced plans to divest 5 billion dollars from the fossil fuel industry and sue the oil and gas industry for their damages to society; and

WHEREAS: In February 2018, the Somerville Board of Aldermen voted to support a home rule petition enabling fossil fuel divestment; and

WHEREAS: In September 2018, New York City Mayor Bill de Blasio and London Mayor Sadiq Khan urged world mayors to divest from fossil fuels; and

WHEREAS: In January 2018, the City of Boston established an interim cash investment policy outlining protocols for non-pension fund investments; and

WHEREAS: City policies for pension and non-pension investments do not currently exercise socially responsible investment screens; *THEREFORE*

BE IT ORDERED,

That the appropriate committee of the Boston City Council hold a hearing to discuss investment disclosure, transparency, divestment and socially responsible investment and that the city's Chief Financial Officer, the Boston Retirement Board, the Center for Economic Democracy, the Corrections Accountability Project and other parties be invited to testify.

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