



NEW YORK STATE SENATOR

Liz Krueger

Krueger, Ortiz Hold Fossil Fuel Divestment Forum

LIZ KRUEGER March 1, 2016

| ISSUE: **CLIMATE CHANGE, FOSSIL FUEL DIVESTMENT, GLOBAL WARMING, CIVIL SERVICE AND PENSIONS**



Albany – This morning, State Senator Liz Krueger and Assembly Assistant Speaker Félix W. Ortiz, joined by State Senator Brad Hoylman, hosted a forum on divesting the New York State Common Retirement Fund from fossil fuel holdings. Discussion centered around the Fossil Fuel Divestment Act ([S.5873/A.8011-A](#)), with financial and environmental experts speaking, including Bill McKibben, Co-Founder of 350.org and a leader of the global fossil fuel divestment movement. Full video of the forum is [available here](#).

"The era of fossil fuels is ending, and for the sake of our children and grandchildren we must make sure it ends sooner rather than later," said Senator Krueger. "To continue investing our pension funds in fossil fuel stocks while we desperately try to wean our society off of those same dirty fuels, is a losing proposition, not just for the environment, but also for our bottom line. Fossil fuel producers like ExxonMobil continue to spend billions of dollars each year recklessly uncovering new oil and gas reserves that can never be burned. Investment in fossil fuels is a sinking ship, and it's high time we headed for the lifeboats."

"The path to controlling global climate change must include not only the reduction in greenhouse gases but also reduction in investments in fossil fuel companies," said Assembly Assistant Speaker Ortiz. "Today's Forum has brought New York's efforts to pass meaningful climate change legislation into the spotlight. We urge our state leaders to move forward on this issue. States can and should set the example by divesting public pension funds of these companies. Our planet experienced the warmest year on record in 2015. We have no time to waste with so much at stake."

The Fossil Fuel Divestment Act ([S.5873/A.8011-A](#)) would require the State Comptroller to divest the New York State Common Retirement Fund from all holdings in the 200 largest publicly traded fossil fuel companies, as defined by carbon content in the companies' proven oil, gas, and coal reserves (the [CU 200](#)). Divestment from coal companies would be completed within one year; divestment from all other fossil fuel companies would be completed by January 1, 2020.

Sen. Krueger and Assm. Ortiz recently authored an op-ed in [Crain's](#), along with New York City Council Member Helen Rosenthal, outlining the financial risks of continued investment in fossil fuel producers. The full text of the op-ed can be read [here](#).

Speakers at today's forum, which took place in the Legislative Office Building in Albany, included financial and investment experts, union representatives, and environmental and community advocates. A representative from the American Petroleum Institute also offered comments, expressing oil and gas companies' opposition to divestment. The State Comptroller's office was unable to send a representative due to scheduling conflicts, but has agreed to coordinate on another forum to take place later in the year.

Bill McKibben of 350.org, who helped to launch the global fossil fuel divestment movement in 2012, spoke to the forum via video link from his home in Vermont. "Around the world institutions of all kinds are realizing that the time has come to break with the ruinous industries of the past," he said. "The Empire State has always provided the world's financial leadership, and we hope this will be no exception." Earlier in the morning, Mr. McKibben joined Senator Krueger to discuss the Fossil Fuel Divestment Act on The Brian Lehrer Show. That segment can be heard by [clicking here](#).

Speakers at the forum are listed below. Copies of written testimony can be viewed by clicking on the speaker's name:

- Bill McKibben, Senior Advisor and Co-Founder, 350.org
- [Carole Liable](#), CEO, Domini Social Investments
- [Toby Heaps](#), CEO, Corporate Knights
- [Tom Francis](#), Director, Oil and Gas Research, Fossil Free Indexes
- [Karen Moreau](#), Executive Director, API NY
- [Anthony Gronowicz](#), Executive Committee, CUNY Professional Staff Congress
- [Carol Ann Lemon](#), RN-BS, New York State Nurses Association
- [Lisa DiCaprio](#), Sierra Club Atlantic Chapter
- [Mark Dunlea](#), 350NYC

-Ana Orozco, Climate Justice Policy and Programs Coordinator, UPROSE

"Our analysis suggests the New York State Common Retirement Fund's equity portfolio would have been at least \$5.3 billion better off had it divested from the biggest oil, gas and coal companies three years ago in favor of the broad market," said Toby Heaps, CEO of Corporate Knights, an investment research company, who joined the forum via video link from Toronto, Canada. "The energy transition away from old fossil fuel energy to new clean energy is underway and investors who cling to fossil fuel holdings risk substantial value destruction over the long-term."

"We call on the New York State Legislature to support the Fossil Fuel Divestment Act as an ethical and financial imperative," said Lisa DiCaprio of the Sierra Club Atlantic Chapter. "Coal, oil, and gas companies are vastly overvalued because various long-term factors limiting carbon emissions will result in a massive devaluation of fossil fuel stocks, which is distinct from the cyclical volatility in fossil fuel prices. We are already seeing this devaluation, especially with regard to coal stocks. If there is a positive, long-term future for fossil fuel investments, then there is no future for a habitable planet."

"The world at COP21 in Paris agreed that it was time to end the fossil fuel era," said Mark Dunlea of 350NYC. "To avoid catastrophic climate change, we need to ensure that 80% of existing fossil fuel reserves are kept in the ground. The state legislature and Comptroller should say no to fossil fuels by divesting the state pension funds from all fossil fuels. The failure to do so puts state employees and taxpayers at serious risks of losing the value of the present investments."

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2015-S5873

Climate Change, Environment, Civil Service and Pensions, Going Green

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
 - On Floor Calendar Senate
- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
-

Relates to limitations on investments of public pension funds

June 09, 2015

In Senate Committee **Finance**

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