



# Divest NY Lobby Day

January 23, 2018, Albany, NY, [www.divestNY](http://www.divestNY)

## Legislative Overview:

We are lobbying for passage of the **Fossil Fuel Divestment Act** which will direct the State Comptroller, Tom DiNapoli, to divest the New York State Common Retirement Fund from the largest 200 coal, oil and gas companies.

**Assembly Bill A3712** sponsored by **Assemblymember Ortiz** and co-sponsored by Assembly members Blake, Carroll, Colton, Cook, Davila, Englebright, Fahy, Glick, Gottfried, Harris, Jaffee, Mosley, Niou, O'Donnell, Rivera, Rodriguez, Seawright, Simon, Steck, Thiele, and Zebrowski. It is currently in the Government Employees Committee, chaired by Assemblymember Abbate.

**Senate Bill S4596** is sponsored by **Senator Krueger** and cosponsored by Senators Addabbo, Alcantara, Avella, Bailey, Breslin, Carlucci, Comrie, Dilan, Hamilton, Hoylman, Montgomery, Parker, Peralta, Sanders, Savino, Serrano. It is in the Civil Service Committee chaired by Assemblymember Golden.

## Make sure you know the basics about the Assemblymember or Senator you will be meeting with

We will provide this information to you and it will help you in your meetings.

- Are they a Democrat, Republican or Independent Democratic Caucus (IDC) member?
  - a. In the Assembly, Democrats are in the majority and have power.
  - b. In the Senate, Republicans control the majority and are in power.
  - c. The IDC are Senate Democrats who have joined with the Republicans.
- Are they a sponsor of the Fossil Fuel Divestment Act?
- Are they on the Civil Service or Government Employees Committee?
- Where is their district? How has their district been impacted by climate change?  
Is anyone in your group a constituent or from a nearby district?

## The Meeting:

1. **Choose a leader** and decide who will make each point. Keep it brief and allow time for discussion. Meetings are ½ hour or less. You will likely meet with a staff person.
2. **Introductions.** We are the Divest NY Coalition. Everyone should introduce themselves. Make sure you know the name and title of the person you are meeting with.
3. **Divestment Overview.** Explain that we are supporting The Fossil Fuel Divestment Act and why it is so important. Choose a few points from the talking points and make a personal connection if possible.
4. **Ask for a commitment.**
  - If they support the bill, ask them:
    - To co-sponsor the legislation (Thank those who are already cosponsors).
    - If they are on the Government Employees or Civil Service Committee, ask them to help move the bill out of committee.
    - To speak with leadership of their house to bring the bill to the floor for a vote.
  - If they don't support the bill ask why not and what their climate action plan is.

5. **Thank them for their time** and ask if we can call them in a week to see what steps the legislator has taken or will take to support the bill.
6. **Fill out the meeting form** and let us know if you plan to follow up or would like us to.

## **Why Divestment from Fossil Fuels is so Important**

### **Global warming is a crisis**

- Global warming is caused by a blanket of greenhouse gasses that circle the planet and prevent heat from escaping.
- Burning fossil fuels is the primary cause of global temperature rise.
- 2017 was the third hottest year on record behind 2016 (1<sup>st</sup>) and 2015 (2<sup>nd</sup>). The sea level is already rising and we are experiencing more dangerous weather events (Harvey, Irma, Maria, Sandy, California fires).
- Scientists warn that if we reach a tipping point (estimated at an increase of 1.5C) it could be catastrophic for our planet. Huge parts of the planet will become uninhabitable.
- To avoid climate catastrophe 80% of all known fossil fuels must not be burned. Oil, gas and coal corporations already have five times that much in reserve.
- The situation is urgent: some scientists believe that if we continue to burn fossil fuels at the current rate for more than four years, we will be unable to stop climate catastrophe. Other scientists think that we have already passed that point.

### **Why Divestment?**

- Divestment takes the fossil fuel industry to task for its culpability in the climate crisis. Divestment can deprive the industry of funds it needs to expand and eventually break the hold that the fossil fuel industry has on our economy and our government.
- Divestment campaigns have been successful in the past. A divestment campaign helped end apartheid in South Africa in the mid-1980s. And there is precedent—the NYS pension fund stopped investing in tobacco in the early 2000s.
- Divestment is a leadership statement: it generates greater awareness by the public and it inspires action by more institutions and individuals.
- Continued investment in fossil fuels is financially irresponsible. Every country in the world (except the US) has pledged to transition from fossil fuels to renewables. This will inevitably bring down the value of fossil fuel companies just like what happened with coal.

### **Why New York?**

- Recent announcements by Governor Cuomo that he will work to divest the NYS pension fund and by Mayor de Blasio that he and City Comptroller Scott Stringer intend to divest the NYC pension fund have created incredible momentum and have set an example for other governments throughout the country and throughout the world. It is important that we follow through on this progress and close the deal with the NYS pension fund.
- The Trump administration has appointed climate deniers to run the State Department, the Environmental Protection Administration, the Department of Energy and the Department of the Interior, has withdrawn from the Paris Accord, and is rolling back any federal role in climate protection.
- New York and other states must act to protect the climate since the federal government has abandoned its responsibility.
- New York State's Common Retirement Fund is the third largest pension fund in the country.

- New York has been a leader in clean energy, by banning fracking and denying permits to pipelines that threaten our water, air and climate. Divestment would build on New York's legacy as a climate leader.

### Current investments in fossil fuels harm New Yorkers

- Fossil fuels are the main driver of climate change, and cause other major catastrophes such as oil spills, air pollution, and contaminated drinking water.
- Superstorm Sandy cost New York an estimated \$63 billion in damage, with 650,000 homes and 300,000 businesses damaged or destroyed. It is wrong for New York to finance this devastation.
- The pension fund invests in companies that frack even though fracking is banned in the state. If we are convinced that fracking is dangerous, why do we fund it in other states?

### Can't Comptroller Tom DiNapoli divest the funds without legislation?

- Yes he can. And he is concerned about the climate and the burning of fossil fuels.
- **DiNapoli prefers to engage fossil fuel company boards through shareholder advocacy even though shareholder engagement has had no real impact** over the last two decades.
- The SEC doesn't recognize resolutions that inhibit the core business of a company. Shareholder engagement isn't feasible if the goal is to keep 80% of fossil fuels in the ground.
- We are running out of time. Shareholder action is glacially slow and very weak; divestment is far more impactful.
- DiNapoli has lots of friends in the Assembly. If the Assembly passes this bill they are supporting DiNapoli in his opposition to fossil fuels. He won't have to go out on a limb and make the decision to divest by himself.

### How much \$ are we talking about?

- NYS has approximately \$5 billion, 3% of its total fund, invested in the top 200 fossil fuel companies.
- Investments identified as renewable energy or wind or solar equal \$126 million, just 1% as much as the investments in fossil fuels.

### Fiscal Responsibility

- The state has a fiduciary responsibility to protect the retirement funds from risky investments. Fossil fuel investments are risky now because:
  - The world is committed to a transition to renewable energy, and that transition is accelerating rapidly.
  - Oil companies are losing money. Exxon, Shell, Chevron and BP didn't make enough money in 2016 to cover their costs, according to a Wall Street Journal analysis.
  - It is estimated that \$1 trillion in oil assets and \$300 billion in natural gas assets will become 'stranded assets' and need to be written off resulting in enormous loss of value.
  - Renewable energy is already less costly than fossil fuel energy.
  - NY Attorney General Eric Schneiderman, among others, is investigating the corporation for lying about climate change and considering legal action for fraud.
  - NYC is suing ExxonMobil and four other leading fossil fuel companies for climate damage they have caused, joining San Francisco and other US cities, and creating the potential for unprecedented financial liability.
- **The pension fund lost a staggering \$5.3 billion** according to a March 2016 report, by not divesting in fossil fuels four years ago when the divestment campaign began.