



General Assembly

January Session, 2015

Committee Bill No. 5733

LCO No. 4361



Referred to Committee on ENVIRONMENT

Introduced by:
(ENV)

**AN ACT REQUIRING THE STATE TREASURER TO DIVEST FUNDS
FROM FOSSIL FUEL COMPANIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2015*) (a) For the purposes of
2 this section:

3 (1) "Company" means any corporation, utility, partnership, joint
4 venture, franchisor, franchisee, trust, entity investment vehicle,
5 financial institution or other entity or business association, including
6 all wholly-owned subsidiaries, majority-owned subsidiaries, parent
7 companies or affiliates of such entities or business associations, that
8 exist for the purpose of making profit; and

9 (2) "Invest" means the commitment of funds or other assets to a
10 company, including, but not limited to, the ownership or control of a
11 share or interest in the company, and the ownership or control of a
12 bond or other debt instrument by the company.

13 (b) The State Treasurer shall review the major investment holdings
14 of the state for the purpose of determining the extent to which state

15 funds are invested in fossil fuel companies.

16 (c) (1) The State Treasurer shall take the following actions in relation
17 to state funds invested in fossil fuel companies prior to the date of this
18 section: (A) The State Treasurer shall sell, redeem, divest or withdraw
19 all publicly traded securities of each company identified in subsection
20 (b) of this section according to the following schedule: (i) Not less than
21 twenty per cent of such assets shall be removed from the State
22 Treasurer's assets under management not later than October 1, 2016,
23 (ii) forty per cent of such assets shall be removed from the State
24 Treasurer's assets under management not later than October 1, 2017,
25 (iii) sixty per cent of such assets shall be removed from the State
26 Treasurer's assets under management not later than October 1, 2018,
27 (iv) eighty per cent of such assets shall be removed from the State
28 Treasurer's assets under management not later than October 1, 2019,
29 and (v) one hundred per cent of such assets shall be removed from the
30 State Treasurer's assets under management not later than October 1,
31 2020; and (B) The State Treasurer shall, at least once per fiscal year,
32 provide reports to the Investment Advisory Council on actions taken
33 by the State Treasurer pursuant to the provisions of this subdivision.

34 (2) The State Treasurer shall not further invest state funds in any
35 fossil fuel company.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2015	New section

Statement of Purpose:

To require the State Treasurer to divest investments in fossil fuel companies and not further invest in such companies in order to discourage the extraction of fossil fuels and avoid a significant increase in global warming.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. MUSHINSKY, 85th Dist.; REP. ALBIS, 99th Dist.

H.B. 5733