

ONE HUNDRED FOURTH LEGISLATURE

SECOND SESSION

LEGISLATIVE RESOLUTION 534

Introduced by Haar, 21.

WHEREAS, in 1980, the Legislature adopted LR 43, which called for the Nebraska Investment Council to review the list of corporations and banks which invest in South Africa and remove them from the list approved for investment by the state; and

WHEREAS, in 1984, the Legislature passed LB 553, which required divestment of all funds from companies doing business in South Africa; and

WHEREAS, the campaign for divestment from South Africa that the Nebraska Legislature supported has been widely hailed as being an important component in leading to the end of apartheid in 1994; and

WHEREAS, climate change presents serious, many-layered, and ongoing issues for Nebraskans, with projections of far more serious impacts on future generations; and

WHEREAS, there is a scientific consensus that fossil fuels are the major contributor to accelerated rates of climate change; and

WHEREAS, fossil fuel investments, particularly coal and oil, are losing value, becoming more volatile, and increasingly failing to fulfill prudent investment standards; and

WHEREAS, the number of institutions, governmental bodies, and businesses that are divesting from fossil fuels is rapidly increasing, and by the end of 2015, investors controlling over \$3.4 trillion in assets have pledged to remove investments from fossil fuel companies; and

WHEREAS, clean energy investments, including wind, solar, and other methods of generating energy that do not produce greenhouse gases or that reduce the amount or impact of greenhouse gas emissions, are increasing throughout the world and represent greater stability and better rates of

return, both now and in the future; and

WHEREAS, fiduciaries are acting prudently when they consider the direct risks of a fossil-dependent portfolio and the likely resilience and collateral benefits of clean energy investing; and

WHEREAS, it is appropriate for the Legislature to determine the amount of the state's investments in companies or funds that derive a majority of their income from the extraction or burning of fossil fuels; and

WHEREAS, it is appropriate for the Legislature to determine the amount of the state's investments in companies or funds that derive a majority of their income from clean energy; and

WHEREAS, it is appropriate to determine whether the state can effectively divest from fossil fuels and invest in clean energy consistent with its fiduciary obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Nebraska Retirement Systems Committee of the Legislature shall be designated to conduct an interim study to examine the following:

- (a) The extent that state funds are invested in fossil fuels;
- (b) The extent that state funds are invested in clean energy; and
- (c) The feasibility of divestment from fossil fuels and investment in clean energy consistent with the state's fiduciary responsibilities.

2. That the study committee shall work with the state investment officer, the Nebraska Investment Council, and their consultants to determine the extent that state funds are invested in fossil fuels and clean energy and the feasibility of divestment and investment as outlined in this study, to the extent such examination can be conducted without additional cost to the council.

3. That the committee shall examine such other issues as are necessary for a complete examination of this matter.

4. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council

or Legislature.