

NEWS

FROM THE OFFICE OF COUNCILMEMBER
PAUL KORETZ
FIFTH DISTRICT



FOR IMMEDIATE RELEASE

LA City Council Votes to Support CA Employees/ Teachers Retirement Divestment from Fossil Fuel Holdings, Prohibit New Fossil Fuel Investments Supporting Senate Bill SB 1173 (Gonzalez/ Wiener)

April 5, 2022 - Los Angeles, CA – Today the Los Angeles City Council voted unanimously to support [Senate Bill 1173 \(Gonzalez/ Wiener\)](#) which proposes to require the California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS) public pension funds to divest from all fossil fuel holdings and prohibit any new investments or renewal of existing investments in fossil fuel businesses.

"The brand new [IPCC report](#) is unequivocal: it's now or never if we want to limit planetary warming to reasonably safe levels," said **Los Angeles City Councilmember Paul Koretz**, author of the resolution to support SB 1173 (Gonzalez/Wiener). "That means we need to immediately stop subsidizing the dangerously reckless fossil fuel industry. The pension systems are intended to provide workers a safe future. We need to provide those same workers that safe future with our investment decisions as well."

In the wake of the IPCC report and amidst the rapid worsening of climate impacts in Los Angeles, the State of California and elsewhere, including extreme heat, extreme storms and floods, extreme wildfires, and, locally, a deepening megadrought, the City has prioritized actions to reduce greenhouse gas emissions to the furthest extent possible, as soon as possible. In fact, the City has been reconfiguring its own relationship with the fossil fuel industry, including declaring local oil drilling a non-conforming land use and closely examining the LA City Employees Retirement System Investments ([CF#19-1577](#)).

Currently, the California State pension funds, CalPERS and CalSTRS, are the largest public pension funds in the country and have over \$9 billion invested in fossil fuel production. Existing law already prohibits the boards of the CA Public Employees' Retirement System and the State Teachers' Retirement System from making new or renewing existing investments in thermal coal. SB 1173 will continue that trajectory away from fossil fuel investment.

Financial divestment from problematic countries or companies has proven to be an effective advocacy tool to achieve climate-related goals the climate mitigation-related fossil fuel divestment movement has already achieved nearly \$40 trillion in commitments to full or partial divestment from coal, gas, and oil stocks, including enormous pension funds serving both New York City and State employees' endowments, portfolios, and pension funds.

Media Contact: Alison.Simard@lacity.org, (213) 473-7005/ (213) 505-7467 (cell)