NYU SSC RESOLUTION FOR FOSSIL FUEL DIVESTMENT

WHEREAS, the New York University Student Senators Council acknowledges that global climate change, caused primarily by humans through usage of fossil fuels and other processes, is a critical issue of our time and urgent steps must be taken for it to be addressed.

WHEREAS, New York University has taken a strong, principled stand to be environmentally sustainable in its practices, as demonstrated by prior commitments such as the 2006 Climate Action Plan.

WHEREAS, there is a global movement of universities, municipalities, and pension funds to divest their holdings from fossil fuel companies and companies which profit from the continued emission of greenhouse gases.

WHEREAS, for the purposes of this resolution, a "fossil fuel company" shall be defined as any of the 200 publicly traded companies with the largest coal, oil, and natural gas reserves as reported by the Carbon Tracker Initiative.

WHEREAS, divestment from direct fossil fuel holdings would be financially prudent and viable for the University, as stated by its Investment Office.

BE IT RESOLVED, the Student Senators Council is in favor of NYU staying true to its sustainability principles and urges the President and Board of Trustees to immediately cease any new investments in fossil fuel companies in its directly held accounts.

BE IT RESOLVED, the SSC urges the President and Board of Trustees to grandfather current directly held and commingled investments in public equities and corporate bonds with holdings in fossil fuel companies and to ensure that no future directly held and commingled investments as of May 2015 include public equities and corporate bonds with holdings in fossil fuel companies.

BE IT RESOLVED, that the SSC urges the President and Board of Trustees to prepare a report and options for investing the endowment in a way that maximizes the positive impact of the fund by seeking out investments in companies that demonstrate a commitment to mitigate the effects of burning fossil fuels.
corporations AND/OR (3) begin a gradual divestment of its investments in fossil fuel corporations in comingled accounts controlled by fund managers.

Rationale:

The University Senate’s Fossil Fuel Divestment Working Group did not recommend divesting from fossil fuel corporations. As we understand their report, this decision was not based on a rejection of the scientific studies which have shown that fossil fuels cause considerable environmental and social harm. Instead, the decision rests primarily on considerations of financial prudence—although the Working Group was split on the question of divesting NYU’s direct investments in fossil fuel corporations.

Accordingly, the resolutions we are proposing call upon the University to divest in a financially prudent way. Nothing in the Working Group’s report, as we read it, suggests that divestment cannot be done thoughtfully and prudently.* To be sure, the report does suggest that divesting from comingled accounts controlled by fund managers may be a complex process that will require considerable effort to complete. This is why we are proposing a 10-year period to complete the divestment process. Many proponents of divestment are likely to regard this period as unnecessarily long and frankly irresponsible. We propose it in a spirit of compromise.

*A number of universities have announced that they are divesting from fossil fuel corporations, including the New School, Syracuse University, the University of Glasgow, Hampshire College, and Pitzer College. Stanford University and the University of Maine have announced that they are divesting from coal companies.