

SENATE No. 722

The Commonwealth of Massachusetts

PRESENTED BY:

Marc R. Pacheco

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act authorizing independent retirement boards to divest from fossil fuel companies.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Marc R. Pacheco</i>	<i>First Plymouth and Bristol</i>	
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>5/7/2021</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>6/10/2021</i>
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>6/10/2021</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>	<i>7/7/2021</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>	<i>7/7/2021</i>
<i>Patrick M. O'Connor</i>	<i>Plymouth and Norfolk</i>	<i>7/30/2021</i>

SENATE No. 722

By Mr. Pacheco, a petition (accompanied by bill, Senate, No. 722) of Marc R. Pacheco for legislation to authorize independent retirement boards to divest from fossil fuel companies. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 636 OF 2019-2020.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court
(2021-2022)

An Act authorizing independent retirement boards to divest from fossil fuel companies.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. For the purposes of this section, an “independent retirement system” shall
2 mean any Massachusetts public pension system under the oversight, monitoring, and regulation
3 of the public employee retirement administration commission, except the state employees
4 retirement system, the state teachers’ retirement system, and the State-Boston retirement system
5 in so far as the assets attributable to teachers who are members of that system; and a “fossil fuel
6 company” shall mean a company identified by a Global Industry Classification Standard code in
7 one of the following sectors: (1) coal and consumable fuels; (2) integrated oil and gas; or (3) oil
8 and gas exploration and production.

9 Notwithstanding any general or special law to the contrary, any independent retirement
10 system may, in accordance with the procurement process under section 23B of chapter 32 of the

General Laws, divest in whole or in part from any investment in fossil fuel companies, the assets of which remain under the direct control and management of the independent retirement system, and are not separately managed or invested by the Pension Reserves Investment Management Board. In accordance with this section, the board of an independent retirement system may, after following the procurement process under said section 23B of said chapter 32, invest in index funds or other investment vehicles that may not include fossil fuel companies.

SECTION 2. Notwithstanding any general or special law to the contrary, with respect to actions taken in compliance with this act, the public fund shall be exempt from any conflicting statutory or common law obligations, including any such obligations with respect to choice of asset managers, investment funds or investments for the public fund's securities portfolios and all good faith determinations regarding companies as required by this act

SECTION 3. This act shall take effect upon its passage.