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Sent: Thursday, March 17, 2016 11:33 AM
To: Springer, Darren; Gray, Laura
Subject: Draft press release and final copy of letter (at the bottom)

FOR IMMEDIATE RELEASE

March 17, 2016

Gov. Shumlin Applauds House and Senate Action on Divestment

MONTPELIER – Gov. Peter Shumlin today applauded House and Senate action supporting divestment from coal and ExxonMobil assets, which he called for in his State of the State Address in January. The Governor also called for a number of steps to ensure the objectivity of the process the Vermont Pension Investment Committee (VPIC) will undertake to achieve the goals laid out by he and the legislature.

In February, the House joined the Governor’s call for divestment and passed [H.R. 13](#), a resolution “urging that the State of Vermont remove the stocks of companies with coal holdings and the stock of the Exxon Mobil Corporation from its pension investment portfolios.”

The Senate has also weighed in on divestment with a letter from the [Senate Government Operations Committee](#) signed by the majority of members which calls on VPIC to “pursue: 1) the intent of the House resolution (H.R. 13) concerning divestment from coal companies and Exxon Mobil Corporation.” The Senate letter requests VPIC report to the Senate and House Committees on Government Operations by May 2, 2016 on the progress on divestment.

In response to calls for divestment from the Governor and Legislature, VPIC has established a subcommittee to deal with divestment. The first meeting of that subcommittee is tomorrow. In the Senate letter, Senators have asked for one member from each the House and Senate be included in the subcommittee, a request the Governor supports. The Governor also outlined a number of steps as the process moves forward, including:

- A plan to divest from coal, as defined by the subcommittee, and Exxon Mobil with clear timelines and objectives by May 1, 2016 so that the subcommittee can report to the legislature on progress.
- To ensure objectivity, I ask that you include a VPIC member who remains open to divestment. I am concerned, due to public comments of many VPIC members in various forums, that an objective process to reach the goals as set forth by the legislature would be impossible without at least one supportive VPIC voice.
- A clear method of incorporating public comments in the recommendations of the subcommittee to ensure all voices and viewpoints are considered.
- As the Senate Government Operations Committee has outlined, inclusion of objective financial experts as well as those who have experience with divestment in the process.

The Governor's full letter to VPIC is copied below.

I am encouraged by your commitment to form a subcommittee of the Vermont Pension Investment Committee with the goal of divesting from coal companies and Exxon Mobil and to explore divestment from other fossil fuel companies. As you know, I believe VPIC should not delay in moving to divest state pension funds. Not only is it the right thing to do for a livable planet, but it is a useful and proven tool to fight climate change. Putting aside the obvious moral and environmental reasoning, I know that upholding your fiduciary duty to the state of Vermont and its pension holders is paramount. When I spoke in front of you two weeks ago, I asked all of you to raise your hands if you thought being invested in coal was a good idea. Only one hand went up. As fiduciaries, I urge you to divest because I believe owning coal and Exxon Mobil poses a serious and long-term threat to the financial futures of our pension holders. I am pleased that VPIC has created and the legislature is supporting a process to divest.

I urge VPIC to take a number of steps to ensure the objectivity of the process and to heed the call of the House "to develop a strategy, in accordance with State law and prudent investment practices, to remove from the State's pension investment portfolios all Exxon Mobil Corporation stock" (H.R. 13, 2016). I encourage the subcommittee to include the following parameters:

- A plan to divest from coal, as defined by the subcommittee, and Exxon Mobil with clear timelines and objectives by May 1, 2016 so that the subcommittee can report to the legislature on progress.
- To ensure objectivity, I ask that you include a VPIC member who remains open to divestment. I am concerned, due to public comments of many VPIC members in various forums, that an objective process to reach the goals as set forth by the legislature would be impossible without at least one supportive VPIC voice.
- A clear method of incorporating public comments in the recommendations of the subcommittee to ensure all voices and viewpoints are considered.
- As the Senate Government Operations Committee has outlined, inclusion of objective financial experts as well as those who have experience with divestment in the process.

I believe if the above steps are taken, and a clear path is created to follow the legislature's direction, we can work together for a responsible plan to divest.