

## *Resolution for the Support of a University Strategic Divestment and Reinvestment Plan*

WHEREAS over the last 150 years the global annual average temperature has risen over 0.6°C above pre-industrial levels,

WHEREAS there has been a drastic increase in global greenhouse gas levels over the past 150 years associated with human activity and fossil fuel usage,

WHEREAS a 2017 report<sup>1</sup> by the *Environmental Protection Agency* found that 79.9% of global greenhouse gases come primarily from the burning of fossil fuels,

WHEREAS a 2019 study<sup>2</sup> in *Nature* found that the total lifetime emissions of operating and planned coal- and gas-fired power plants will not only raise the global annual average temperature over 1.5°C above pre-industrial levels but will also put humanity on track to comprise two-thirds of the remaining carbon budget allotted to stay under 2°C warming of pre-industrial levels,

WHEREAS such an increase of average global temperature will lead to an increase in frequency and severity of droughts, heat waves, and extreme weather events; a global sea level rise of 1-4 feet by 2100; and an ice-free summer in the Arctic region,

WHEREAS the *Carbon Tracker Initiative* found<sup>3</sup> that the average global percentage of operating coal capacity that is higher cost than new renewables was 60% in 2019,

WHEREAS an increasing number of investors and corporations are opting out of the fossil fuel industry and opting into renewable energy sources, a trend acknowledged by BlackRock, the world's largest asset manager with nearly \$7-trillion dollars in managed assets, in a January 14th letter<sup>4</sup> to their investors which outlines its exit in investments with high environmental risks and its commencement of new investment products that screen for fossil fuels,

---

<sup>1</sup> <https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions#t1fn1>

<sup>2</sup> <https://www-nature-com.ezproxy.lib.utah.edu/articles/s41586-019-1364-3#Sec1>

<sup>3</sup>

<https://www.carbontracker.org/powering-down-coal-the-economic-global-coal-phase-out-stronger-than-ever/>

<sup>4</sup> <https://www.blackrock.com/corporate/investor-relations/blackrock-client-letter>

WHEREAS in 2014 the International Energy Association estimated that by 2035 there will be a total of USD 180 billion for upstream oil and gas investments, USD 120 billion for new fossil fuel capacity in the power sector, and USD 4 billion for coal mining in assets that will become stranded,

WHEREAS a 2013 analysis<sup>5</sup> by the Aperio Group divestment from fossil fuels neither takes away value from investments nor does it nontrivially increase the risk for investors,

WHEREAS in May of 2016 the University of Utah Academic Senate passed a resolution calling upon University administrators to strategically divest university endowment funds from fossil fuels and reinvest into renewable energy technology over the following five years,

WHEREAS the University of Utah administration has not released a plan to engage in such divestment and reinvestment,

WHEREAS 31 U.S. colleges and universities have announced plans to fully divest from fossil fuels entirely<sup>6</sup>,

WHEREAS the University of Utah has made positive impact through divestment before, as was the case in its 1985 divestment of South Africa and companies which supported the apartheid regime there<sup>7</sup>,

WHEREAS a commitment to full divestment from fossil fuels and reinvestment into efficient renewable energy systems would bolster the University of Utah as a global leader in economic, environmental, and academic sustainability,

WHEREAS a commitment to full divestment from fossil fuels and reinvestment into efficient renewable energy systems would be inline with the University of Utah's mission and dedication to contributing to a more sustainable world,

BE IT RESOLVED that the Associated Students of the University of Utah urge the University of Utah administration and Academic Senate to revive the *ad hoc*

---

5

<https://www.chronicle.com/blogs/bottomline/divesting-in-fossil-fuels-shouldnt-harm-endowments-report-finds/>

<sup>6</sup> <https://gofossilfree.org/divestment/commitments/>

<sup>7</sup> <https://www.utahhumanities.org/stories/items/show/358>

Committees for Responsible Investment and Reinvestment Dialogue created in 2016 by the end of April of 2020,

BE IT FURTHER RESOLVED that the Associated Students of the University of Utah urge the University of Utah administration to produce a detailed plan and timeline for a full divestment and reinvestment strategy for the university endowment within the next 10 years,

BE IT FURTHER RESOLVED that the Associated Students of the University of Utah call upon the student governments of all colleges and universities in the state of Utah, the PAC-12, and across the U.S. to adopt similar resolutions in support of a divestment and reinvestment strategy for their respective institutions if one has not already been adopted,

BE IT FURTHER RESOLVED that within 2 weeks of being passed by the Associated Students of the University of Utah Assembly and Senate, in addition to being signed by the Student Body President, this resolution will be delivered by Sierra McNeil, Director of Government Relations, to the following student governments within the state of Utah and the PAC-12:

Utah State University  
Utah Valley University  
Brigham Young University  
Dixie State University  
Salt Lake Community College  
Snow College  
Southern Utah University  
Weber State University  
Arizona State University  
University of Arizona  
University of California, Berkeley  
University of California, Los Angeles  
University of Colorado, Boulder  
University of Oregon  
Oregon State University  
Stanford University  
University of Southern California  
University of Washington  
Washington State University



AnnaMarie Barnes  
Associated Students of the University of Utah  
Student Body President

Signed March 10, 2020

Dear University President Watkins and the Board of Trustees,

The dangers posed by our climate crisis are enormous. As the crisis unfolds, we can expect increases in societal instability, economic hardships, violent conflicts, biodiversity loss, weather related disasters, famine, water insecurity, poverty, malnutrition, disease, and death.<sup>[1]</sup>

As members our university community and global society, we cannot accept this. Our respect for the science, responsibility towards our students, and commitments to human rights and social justice propel us to act.

The University of Utah is making good progress, now getting over half of our energy from renewable resources, and ranked by the EPA as number eight among universities for our green power usage. We are proud of these institutional accomplishments.

In light of this commendable progress, Staff Council asks President Watkins and the Board of Trustees to please quicken our institution's progress in making our community carbon neutral, and to commit to do so by no later than 2040.

We also ask that currently held investments within the University's endowment are realigned to include only those in line with our institutional values. The fossil fuel industry has spent millions lobbying against clean energy solutions, and they have spent millions more funding climate denial.<sup>[2]</sup><sup>[3]</sup> Their business plan is not in line with what scientists say we can safely emit and still keep global warming below the dangerous 2C tipping point.<sup>[4]</sup> This places our communities at risk, and is at direct odds with our institution's values. The realignment of our investments has made an impact before, including the 1980's effort against apartheid in South Africa.<sup>[5]</sup>

We can still mitigate the worst effects of climate change, but we need to quickly muster the will and take more ambitious action now. Please find the courage to act more boldly and aggressively, and to help create a better, more just, compassionate, and sustainable world for us all.

Respectfully yours,

University of Utah Staff Council

[1] <https://www.ipcc.ch/reports/>

[2] <https://www.forbes.com/sites/niallmccarthy/2019/03/25/oil-and-gas-giants-spend-millions-lobbying-to-block-climate-change-policies-infographic/#2c2bc9e57c4f>

[3] <https://www.theguardian.com/environment/2016/jun/13/peabody-energy-coal-mining-climate-change-denial-funding>

[4] <https://phys.org/news/2017-12-climate-investing-fossil-fuels-economists.html>

[5] <https://www.utahhumanities.org/stories/items/show/358>

## U Climate Goals and Responsible Investments Report

Compiled by michael bard

The U's progress on tackling our contributions to climate change are laudable, greatly appreciated, and direly needed. However, they aim at the very least that we should be doing. The current goal of carbon neutrality by 2050 only gives us a narrow probability of keeping warming below 2 degrees Celsius, and does not provide a pathway to stay below 1.5C [as recommended by the IPCC](#).

Last year, at Utah State University, a Faculty and Student led effort is [urging USU to become carbon neutral by 2032, reducing carbon emissions by approximately 10% per year](#). They met in January to review [their draft report](#), and will soon release their detailed recommendations on carbon footprint reduction strategies.

This exposes [our own 2050 goal](#) as not ambitious enough, considering the crisis we are faced with. With what is at stake, we need a race to carbon neutrality in all sectors of our society, including in higher education.

This will be no easy feat, but to do so, we must immediately begin lowering our emissions and pivoting away from our reliance on fossil fuels. This must include realigning our institutional investments to match our values for sustainability and social responsibility.

The U's Academic Senate and their Ad-hoc committee on Socially Responsible Investing did [considerable research](#) and outreach with the School of Business, and findings suggested that it would be financially sound to shift our investments into increasingly profitable renewable energies.

In 2016, the University Administration and Board of Trustees [committed to increase future investments to align with our institutional values](#). However, to our discouragement, we find little information or evidence that the administration has followed up on this commitment.

I reached out to the Investment Management Office, University Administrators, and representatives from the Board of Trustee's Office, asking for information about progress on this commitment. They have not responded to my inquiry.

This still leaves the question about our currently held investments, which must also be realigned.

Scientists say that we can still mitigate the worst effects of climate change, but we need to quickly muster the will and take meaningful action now. We must find the courage to act more boldly and aggressively, by being more ambitious in our carbon neutrality goal and by realigning our institutional investments to be in line with our core values of sustainability and social responsibility.

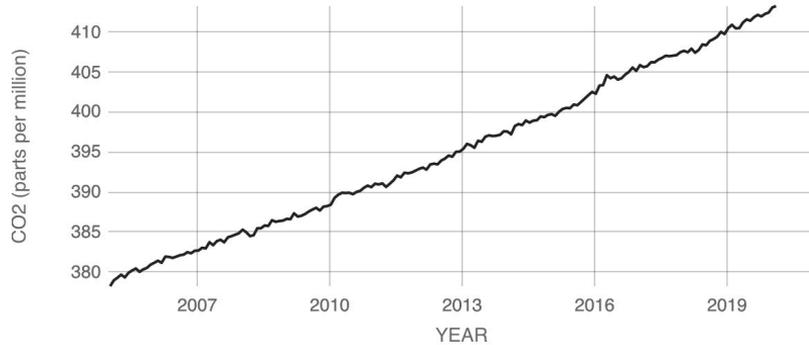


# A Proposal for the Development of a Special Committee Regarding Fossil Fuel Divestment

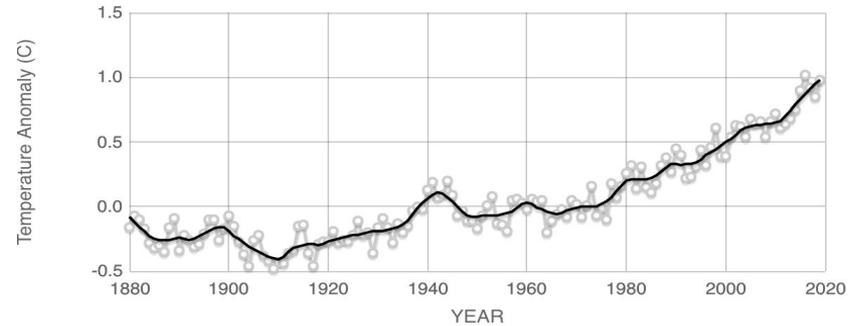
Academic Senate  
April 27, 2020



# CO2 Levels and Temperature Rise



Source: climate.nasa.gov



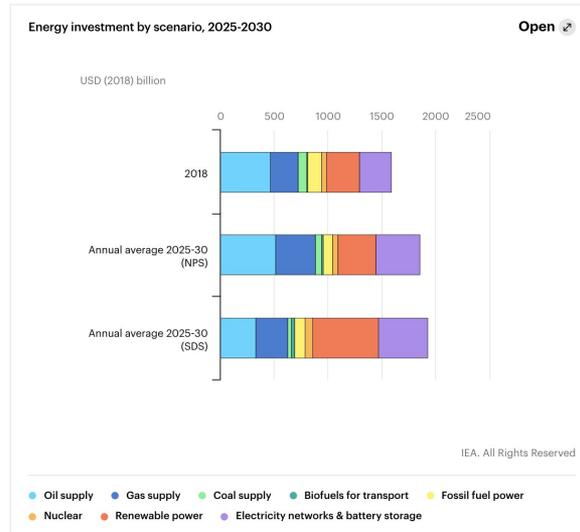
Source: climate.nasa.gov

# Background

- 2016 campaign for the U to divest from the fossil fuel industries, passed Academic Senate BARELY but failed at the Board of Trustee level.
- Few projections as to how university endowments would fair due to divestment were available.
- A committee (SRESIAC) was established to assess the performance of these specific endowment fund investments and routinely make recommendations on what the university should do, but this committee has not been formed.
- Ultimate feelings were that we should focus on efforts that promote sustainability on campus specifically.

# Why look into divestment?

Support for divestment is growing rapidly: as of now, total divestment commitments have grown to near \$14.14 trillion worldwide.



# Some AAU Universities Committed to Divestment (Full or Partial or Senate only)

- Boston University
- Brandeis University
- Brown University
- Columbia University
- Harvard University
- Johns Hopkins University
- Stanford University
- All UC Schools
- University of Washington
- Yale University

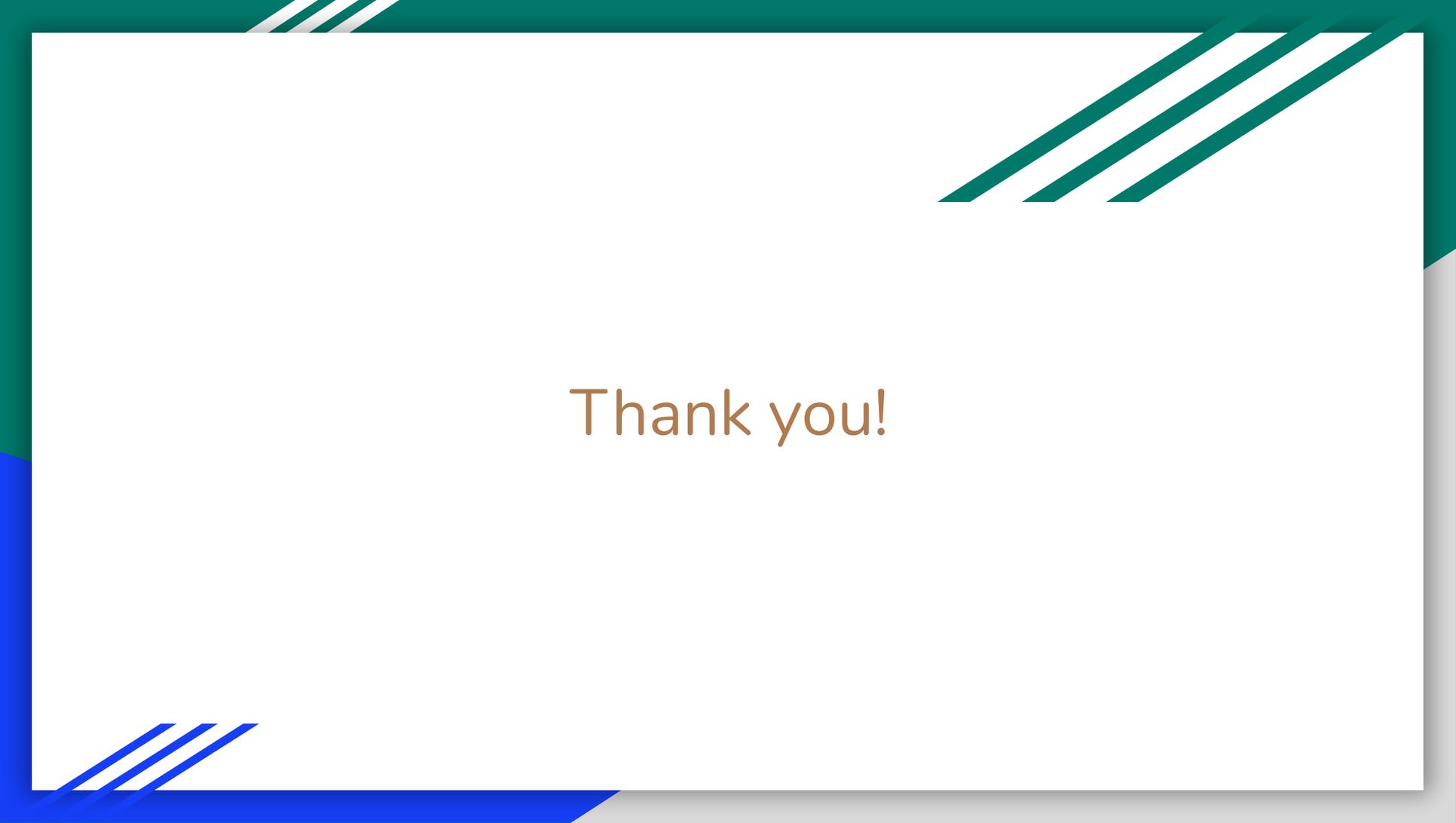
# Our Mission and Divestment Dialogue

“The U contributes to a more sustainable world through research, teaching, and demonstrating best practices in protecting and enhancing the natural and built environment on the campus and environs, making it a great place to live, learn, work, play, create, recreate, and visit.”

“The U engages students, faculty, staff, and the larger community in conversations that lead to positive transformation at the local, state, national, and global levels.”

# A Sustainable Future

- Need collaboration between the Sustainability Office, the Investments Office, the ASUU, the Staff Council, the Academic Senate, the Board of Trustees, and the President's Office.
- We must look investigate all possible divestment strategies for the endowment.
- We must look into investment avenues for renewable energies or other “impact investing” areas.
- Draft a detailed plan and timeline by the end of the 2020-21 academic school year for a divestment and reinvestment strategy for our endowment over the next 10 years.
- **Revive the ad-hoc committees focused specifically on divestment.**



Thank you!