

1 [Urging the Retirement Board to Divest from Firearm and Ammunition Manufacturers]

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3 **Resolution urging the Retirement Board of the Employees' Retirement System to divest**
4 **from publicly traded firearm and ammunition manufacturers.**

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6 WHEREAS, San Francisco residents continues have been greatly impacted by gun
7 violence, and our City has experienced the tragic loss of 215 individuals killed by a firearm
8 and 880 reported non-fatal shootings between 2008 and 2012; and

9 WHEREAS, San Francisco has been a leader in gun control legislation on subjects
10 such as requiring safe storage of firearms and prohibiting the sale of enhanced-lethality
11 ammunitions; and

12 WHEREAS, In 2005, San Francisco voters passed Proposition H to ban the
13 manufacture, distribution, sale, and transfer of firearms and ammunition within San Francisco,
14 and ban City residents from possessing handguns within San Francisco, which was
15 implemented by Ordinance No. 55-06; and

16 WHEREAS, Proposition H was overturned by the San Francisco Superior Court in the
17 case of "*Fiscal v. City and County of San Francisco*;" and

18 WHEREAS, In recent years, random, mass gun violence has made the names of
19 communities such as Tucson, Arizona, Aurora, Colorado, Virginia Tech, and Newtown,
20 Connecticut synonymous with senseless loss of life and severe injuries; and

21 WHEREAS, Resolution No. 130049 stated that "as a City, San Francisco supports
22 common sense gun control reform to ensure that all of our City's residents can enjoy a greater
23 sense of safety in our city;" and

1 WHEREAS, Resolution No. 130048 stated that “the City and County of San Francisco
2 hereby commits to doing everything possible to provide common sense solutions to keep our
3 families, children, and communities safe;” and

4 WHEREAS, Under Section 12.100 of the San Francisco Charter, the Retirement Board
5 of the San Francisco Employees’ Retirement System (SFERS) “shall have plenary authority
6 and fiduciary responsibility for investment of monies and administration of the Retirement
7 System;” and

8 WHEREAS, In the wake of the shooting deaths of twenty-six people at Sandy Hook
9 Elementary School, including twenty children, a number of municipal retirement funds—
10 including the California State Teachers Retirement System (CalSTRS), the Municipal
11 Employees Annuity and Benefit Fund of Chicago, and the Philadelphia Board of Pensions and
12 Retirement—have taken action to divest from firearm and ammunition manufacturers; and

13 WHEREAS, On December 18, 2013, Cerberus Capital Management, a private equity
14 firm, announced that it planned to sell its ownership stake in Freedom Group Inc., a firearms
15 manufacturer, in response to concerns from Cerberus investors, including CalSTRS; and

16 WHEREAS, The Retirement Board’s Social Investment Policy states that, “The
17 relationship of the corporation to the communities in which it operates shall be maintained as
18 a good corporate citizen through observing proper environmental standards, supporting the
19 local economic, social and cultural climate, conducting acquisitions and reorganizations to
20 minimize adverse effects;” and

21 WHEREAS, Divesting from firearm and ammunition manufacturers is a responsible
22 way for the Retirement Board to carry out its fiduciary duties and demonstrate leadership in
23 implementing its Social Investment Policy; now, therefore, be it

24 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
25 urges the Retirement Board of the San Francisco Employees’ Retirement System (SFERS) to

1 review the SFERS investment portfolio to identify any holdings that include direct or indirect
2 investments in firearm and ammunition manufacturers; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors urges the Retirement Board to
4 immediately cease any new investments in firearm and ammunition manufacturers or in
5 commingled assets that include holdings in firearm and ammunition manufacturers; and, be it

6 FURTHER RESOLVED, That, for any SFERS investments in commingled funds that
7 are found to include firearm and ammunition manufacturers, the Board of Supervisors urges
8 the Retirement Board to contact the fund managers and request that the firearm and
9 ammunition manufacturers be removed from the funds; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors urges the Retirement Board to
11 ensure that within five years none of its directly held or commingled assets include holdings in
12 firearm and ammunition manufacturers; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors urges the Retirement Board to
14 release quarterly updates, available to the public, detailing progress made towards full
15 divestment.

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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 130125

Date Passed: February 12, 2013

Resolution urging the Retirement Board of the Employees' Retirement System to divest from publicly traded firearm and ammunition manufacturers.

February 12, 2013 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Chu, Cohen, Farrell, Kim, Mar, Wiener and Yee

File No. 130125

I hereby certify that the foregoing Resolution was ADOPTED on 2/12/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Unsigned

Mayor

2/22/13

Date Approved

Date: February 22, 2013

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board

File No.
130125