

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

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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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