

1 TO THE HONORABLE SENATE:

2 The Committee on Government Operations to which was referred Senate
3 Bill No. 251 entitled “An act relating to divestment of State pension funds
4 from fossil fuel companies” respectfully reports that it has considered the same
5 and recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. DIVESTMENT OF PUBLIC PENSION FUNDS; JOINT PUBLIC
8 PENSION OVERSIGHT COMMITTEE; REPORT

9 (a) Study. The Joint Public Pension Oversight Committee shall, in
10 consultation with the State Treasurer, the Chair of the Vermont Pension
11 Investment Commission, and any interested stakeholders with investment and
12 environmental expertise, develop a strategy and timeline for the policies of the
13 State to decarbonize the investments of the Vermont State Employees’
14 Retirement System, the State Teachers’ Retirement System, and the Municipal
15 Employees’ Retirement System. The strategy and timeline developed by the
16 Committee shall be in accordance with sound investment criteria and
17 consistent with the fiduciary obligations of the Retirement Board for the
18 Vermont State Employees’ Retirement System, the Board of Trustees for the
19 Vermont Teachers’ Retirement System, and the Retirement Board of the
20 Municipal Employees’ Retirement System. In developing the strategy and
21 plan, the Committee shall consider the feasibility of different decarbonization

1 strategies, including divestment to the fullest extent possible, and review
2 models used in New York and in other states for decarbonization.

3 (b) Assistance. The Committee shall have the fiscal assistance of the
4 Vermont Pension Investment Commission to conduct the work described in
5 subsection (a) of this section.

6 (c) Report. On or before January 15, 2023, the Committee shall submit a
7 report on the strategy and timeline described in subsection (a) of this section to
8 the House and Senate Committees on Government Operations.

9 Sec. 2. DECARBONIZATION STRATEGY; VERMONT PENSION

10 INVESTMENT COMMISSION; APPROPRIATION

11 In FY 2023, the amount of \$75,000.00 in general funds is appropriated to
12 the Vermont Pension Investment Commission to fill an investment analyst
13 position or hire a consultant to assist the Joint Public Pension Oversight
14 Committee with the work described in Sec. 1 of this act.

15 Sec. 3. EFFECTIVE DATE

16 This act shall take effect on July 1, 2022.

17 and that after passage the title of the bill be amended to read: “An act
18 relating to the study of decarbonization and phased in divestment of the State
19 pension funds from fossil fuel companies”

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(Committee vote: _____)

Senator _____

FOR THE COMMITTEE