

UW Faculty Senate Climate Divestment and Procurement Resolution
as approved by the Faculty Senate 1 March 2021

WHEREAS our world is currently in an intensifying climate emergency that impacts public safety, public health, food security, and the welfare of future generations;

WHEREAS today the scientific certainty surrounding anthropogenic climate change is even more compelling, and the forecasted severity of its impacts have greatly increased, since the faculty senate last considered this topic (in 2013-2014);

WHEREAS the window of opportunity to address climate change is rapidly closing, with scientists predicting that we have a mere decade or less to reduce carbon emissions dramatically so that exponentially escalating impacts can be avoided;

WHEREAS climate change will disproportionately affect the economically least well-off in the United States, exacerbating long-standing disparities around environmental injustice;¹

WHEREAS “among the world’s leading universities, the University of Wisconsin–Madison is distinctive in the premium we place on our relevance to society;”²

WHEREAS the faculty and researchers of UW-Madison have, for more than a century, conducted pioneering and globally-significant work on conservation, climate change, and sustainability;

WHEREAS institutional divestment from fossil fuel investments is an important and potentially effective step towards reducing carbon emissions;

WHEREAS development of carbon-friendly institutional procurement strategies also can aid with reducing carbon emissions;³

WHEREAS the continued holding of fossil-fuel investments exposes the UW Foundation to the risk of stranded assets and depreciation as the world economy continues to decarbonize;

WHEREAS while the earlier report issued by the Ad Hoc Committee on Fossil Fuel Use and Climate Change (2014) was divided on the issue of divestment, the urgency of the climate crisis has continued to accelerate since that time, and the divestment movement has grown globally;

¹ Douglas Fischer, *Climate Change Hits Poor Hardest in U.S.*, Scientific American (May 29, 2009), available at <https://www.scientificamerican.com/article/climate-change-hits-poor-hardest/>.

² <https://strategicframework.wisc.edu/>

³ Zengkai Zhang et al., *Embodied Carbon Emissions in the Supply Chains of Multinational Enterprises*, Nature Climate Change, DOI: 10.1038/s41558-020-0895-9, www.nature.com/articles/s41558-020-0895-9 (2020).

WHEREAS the final report of that committee (3 February 2014) strongly recommended that the UW Foundation “promote non-fossil fuel investment opportunities” for donors;

WHEREAS s numerous prominent universities, both public and private, have already begun addressing institutional investment in fossil fuels, including the University of California system,⁴ Stanford University,⁵ Syracuse University,⁶ Cornell University,⁷ Georgetown University,⁸ Oregon State University,⁹ and the University of Maryland;¹⁰

WHEREAS fossil fuel divestment has been found to cause no harm to university endowment assets, and thus no longer raises valid objections based on fiduciary responsibility;¹¹

WHEREAS other nonprofit institutions also have begun addressing institutional investment commitments with respect to addressing climate change, including the Episcopal Church of the United States,¹² the Islamic Society of North America,¹³ the American Public Health Association,¹⁴ the National Peace Corps Association,¹⁵ along with many others;

WHEREAS the State of New York announced on December 9, 2020 that it would commit to a process of aggressive and regular review of fossil fuel investments, and divest all those that no longer constitute viable long-term investment opportunities;¹⁶

WHEREAS the State of Wisconsin has also been urged, in the recent Governor's Task Force Report on Climate Change, to seriously consider divestment in order to protect the long-term viability of the state's investments and pension fund;¹⁷

WHEREAS the student-led UW University of Wisconsin Divestment Coalition (UWDC) has asked for (1) UW Transparency and disclosure of all UW fossil fuel investments; (2) the

⁴ <https://www.universityofcalifornia.edu/press-room/uc-s-investment-portfolios-fossil-free-clean-energy-investments-top-1-billion>

⁵ <https://news.stanford.edu/2020/06/12/trustees-commit-accelerating-transition-to-net-zero-greenhouse-gas-emissions/>

⁶ https://www.syracuse.com/schools/2015/04/syracuse_university_to_divest_fossil_fuel_investments.html

⁷ <https://news.cornell.edu/stories/2020/05/cornell-announces-moratorium-fossil-fuel-investments>

⁸ <https://www.georgetown.edu/news/fossil-fuels-divestment-continues-georgetown-commitment-to-sustainability/>

⁹ <https://agsci.oregonstate.edu/feature-story/divest-success>

¹⁰ <https://www.baltimoresun.com/education/bs-md-usmf-divestment-20160628-story.html>

¹¹ CJ Ryan & Christopher Marsicano, Examining the Impact of Divestment from Fossil Fuels on University Endowments, 17 NYU J. Law and Business 95 (2020).

¹² <https://www.episcopalnewsservice.org/tag/fossil-fuel-divestment/>

¹³ <https://isna.net/largest-muslim-organization-in-the-u-s-divests-from-fossil-fuels/>

¹⁴ https://apha.org/-/media/files/pdf/governance/executeboard/eb_minutes_may_2016.ashx

¹⁵ <https://www.peacecorpsconnect.org/cpages/legal-documents-reports>

¹⁶ <https://www.nytimes.com/2020/12/09/nyregion/new-york-pension-fossil-fuels.html>

¹⁷ https://madison.com/wsj/news/local/environment/gov-tony-evers-climate-task-force-eyes-policies-to-curb-carbon-and-promote-growth/article_f444497c-ca79-50c4-8e25-2bf54010b250.html

cessation of all new investments in oil, gas, and coal companies; (3) the sale of existing investments tied to oil, gas, and coal in the next 3-5 years; and (4) the investment in clean energy solutions;

WHEREAS Chancellor Rebecca Blank signed the Resilience Commitment as administered by Second Nature (November 2019), which obligates the leadership of UW-Madison to support comprehensive efforts to rapidly decrease greenhouse gas emissions and foster sustainability;

THEREFORE, be it resolved that the University of Wisconsin-Madison Faculty Senate urges the University of Wisconsin Foundation to disclose its fossil fuel assets and investments for the purpose of full transparency for faculty, academic staff, students, donors, alumni and the citizens of the state;

Be it **ALSO** resolved that the University of Wisconsin-Madison Faculty Senate urges the University of Wisconsin Foundation to establish a clear plan and timetable to fully divest from fossil fuel investments as well as to develop a fossil-free alternative for donors;

Be it **FURTHER** resolved that the University of Wisconsin-Madison should work with UW-Madison purchasing units and the UW-Madison Office of Sustainability to

- assess available opportunities for carbon reduction in its procurement processes,
- develop a plan to reduce embodied carbon as much as possible using the discretionary procurement processes available to University of Wisconsin-Madison, and
- publish this assessment and plan within two years;

Be it **FURTHER** resolved that the University of Wisconsin-Madison Faculty Senate urges the University of Wisconsin Foundation to join the Financial Stability Board's Task Force on Climate-Related Financial Disclosures [1]¹⁸ (or comparable professional organization) to develop

- disclosure mechanisms for the Foundation's governance and strategy around climate-related risks and opportunities,
- procedures for identification, assessment, and management of climate-related risks, and
- metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

¹⁸ <https://www.fsb-tcfd.org/>