



Legislation Text

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Res. No. 1286

Resolution calling on JPMorgan Chase, BlackRock, and Liberty Mutual, as well as other banks, asset managers and insurers, to stop lending to, investing in and insuring the fossil fuel industry.

By Council Members Lander, Reynoso, Rivera, Kallos, Levine, Levin, Van Bramer, Adams, Ayala, Rosenthal and Chin

Whereas, On April 22, 2016, world leaders from 174 countries and the European Union recognized the threat of climate change and the urgent need to combat it by signing the Paris Agreement, agreeing to keep a global temperature rise well below two degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius; and

Whereas, On October 8, 2018, the United Nations International Panel on Climate Change (IPCC) released a special report, which projected that limiting warming to the target of 1.5 degrees Celsius above preindustrial temperatures will require an unprecedented transformation of every sector of the global economy over the next 12 years; and

Whereas, On November 23, 2018, the United States Fourth National Climate Assessment (NCA4) was released and details the massive threat that climate change poses to the American economy, our environment and climate stability, and underscores the need for immediate action to address a climate emergency at all levels of government; and

Whereas, The increased and intensifying wildfires, floods, rising seas, diseases, droughts and extreme weather brought on by global warming demonstrates that the Earth is becoming too hot to be a safe environment; and

Whereas, World Wildlife Fund's 2018 Living Planet report finds that there has been a 60 percent decline

in global wildlife populations between 1970 and 2014, with causes including overfishing, pollution and climate change;

Whereas, Oxfam found that cyclones, floods, and fires are now displacing three times as many people as wars; and

Whereas, New York City has committed itself to developing a pathway to achieve the greenhouse gas (GHG) emissions reductions necessary to align with the principles of the Paris Agreement and to limit global temperature increase to 1.5 degrees Celsius over preindustrial temperatures; and

Whereas, According to the National Hurricane Center, Hurricane Sandy was the largest hurricane to ever form in the Atlantic Basin, resulted in the deaths of 44 City residents and inflicted an estimated \$19 billion in damages and lost economic activity across New York City; and

Whereas, The IPCC has said that if the goal is to limit global warming to 1.5 degrees Celsius above preindustrial temperatures, greenhouse gas emissions will have to be halved by 2030 and cut to net zero by around 2050; and

Whereas, Addressing climate change fairly requires transitioning from fossil fuels to clean, renewable energy that is ecologically sustainable and equitable for all people; and

Whereas, Banks, insurance companies, and asset managers are funding, insuring, and investing in the climate destruction; and

Whereas, JPMorgan Chase is the world's top banker of fossil fuels, providing \$196 billion in financing to fossil fuel companies since the 2016 Paris Agreement, including a vast array of dangerous, climate-polluting fossil fuel pipeline and other infrastructure projects such as the Williams Companies' proposed Northeast Supply Enhancement (NESE) fracked gas pipeline project from New Jersey to New York City and the Line 3 pipeline replacement project, which would carry 760,000 barrels of crude oil every day through the Midwest; and

Whereas, BlackRock is the world's largest investor in fossil fuels and deforestation, and manages nearly

\$7 trillion in assets worldwide, including large investments in the Williams Companies and its NESE pipeline project; and

Whereas, Liberty Mutual is a top insurer of and investor in massive fossil fuel projects, including the Trans Mountain pipeline, which would create a combined capacity to 890,000 barrels of heavy crude oil per day and allow for a large-scale expansion of tar sands extraction in Alberta, Canada; and

Whereas, In the three years since the signing of the Paris Agreement, banks' lending to the fossil fuel industry has increased every year, and much of the money goes toward the most extreme forms of energy development; and

Whereas, Tom Sanzillo, the finance director at the Institute for Energy Economics and Financial Analysis, has observed that if large banks like BlackRock stopped lending to the fossil fuel industry, underwriting the fossil fuel industry, and buying its stocks, and if asset managers divested from fossil fuels and insurers stopped insuring fossil fuel projects and investing policyholders funds into fossil fuels, then the fossil fuel sector would face higher volatility, lower returns, and negative future outlook; and

Whereas, the economic consequences of divestment from the fossil fuel sector would help to slow the slow and could ultimately reverse the expansion of the sector worldwide; and

Whereas, The Stop the Money Pipeline campaign demands that banks, asset managers, and insurance companies stop funding, insuring, and investing in climate destruction; now, therefore, be it

Resolved, That the Council of the City of New York calls on JPMorgan Chase, BlackRock, and Liberty Mutual, as well as other banks, asset managers and insurers, to stop lending to, investing in and insuring the fossil fuel industry.