

# STATE OF NEW YORK

9241

## IN ASSEMBLY

February 9, 2022

Introduced by M. of A. PALMESANO -- read once and referred to the  
Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to  
enacting the "cobalt and lithium mining and production divestment act"

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "cobalt and lithium mining and production divestment act".

3 § 2. The retirement and social security law is amended by adding a new  
4 section 423-d to read as follows:

5 § 423-d. Investment of certain public funds in companies involved in  
6 cobalt and lithium mining and production. 1. For the purposes of this  
7 section, "cobalt and lithium mining and production" shall mean explora-  
8 tion, extraction, drilling, production, refining, processing or distrib-  
9 ution activities related to cobalt and lithium, for the manufacture of  
10 batteries used in large-scale battery storage power stations and the  
11 primary propulsion systems for electric vehicles, including, but not  
12 limited to, cars, trucks and boats.

13 2. (a) Notwithstanding any provision of law to the contrary, on or  
14 after the effective date of this section, no monies or assets of the  
15 common retirement fund shall be invested in the stocks, securities or  
16 other obligations of any institution or company engaging in cobalt and  
17 lithium mining or production for the manufacture of batteries used in  
18 large-scale battery storage power stations and the primary propulsion  
19 systems for electric vehicles.

20 (b) Notwithstanding any provision of law to the contrary, no assets of  
21 any pension or annuity fund under the jurisdiction of the comptroller  
22 shall be invested in any bank or financial institution which directly or  
23 through a subsidiary has outstanding loans to, or financial activities  
24 associated with, the mining or production of cobalt or lithium, and no  
25 such assets shall be invested in the stocks, securities or other obli-  
26 gations of any company which directly or through a subsidiary is engaged  
27 in business in or with cobalt or lithium mining and production.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1     3. (a) Within six months of the effective date of this section, the  
2 comptroller shall create an exclusion list consisting of all cobalt and  
3 lithium producers in which stocks, securities, equities, assets or other  
4 obligations the common retirement fund has any monies or assets directly  
5 invested.

6     (b) Upon completion, such exclusion list shall be made publicly avail-  
7 able and a copy shall be sent to the temporary president of the senate  
8 and the speaker of the assembly.

9     (c) Within sixty days after the completion of the exclusion list, the  
10 comptroller shall file with the legislature a report of all investments  
11 held, as of the effective date of this section, which are in violation  
12 of the provisions of this section. Every year thereafter, the comp-  
13 troller shall report on all investments sold, redeemed, divested or  
14 withdrawn in compliance with this section. Each report after the initial  
15 report shall provide a description of the progress which the comptroller  
16 has made since the previous report and since the effective date of this  
17 section.

18     (d) The comptroller shall, in accordance with sound investment crite-  
19 ria and consistent with his or her fiduciary obligations, take appropri-  
20 ate action to sell, redeem, divest or withdraw any investment held in  
21 violation of the provisions of this section. Such sale, redemption,  
22 divestment or withdrawal shall be completed not later than three years  
23 after the effective date of this section.

24     (e) This section shall not be construed to require the premature or  
25 otherwise imprudent sale, redemption, divestment or withdrawal of an  
26 investment.

27     § 3. This act shall take effect immediately.