

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 explor-
8 ation, 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.

LBD13032-01-1

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.