

STATE OF NEW YORK

9873

IN SENATE

April 9, 2026

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

AN ACT to amend the education law, in relation to requiring SUNY and CUNY trustees refrain from investing in and subsequently divest from stocks, debt or other securities of certain publicly traded fossil fuel companies

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

1 Section 1. The education law is amended by adding a new section 355-f
2 to read as follows:

3 § 355-f. Divestment from fossil fuels. 1. (a) Beginning one year after
4 the effective date of this section, the board of trustees shall not
5 invest any monies in any stocks, debt or other securities of any corpo-
6 ration or company, or any subsidiary, affiliate or parent of any corpo-
7 ration or company, among the two hundred largest publicly traded fossil
8 fuel companies, as established by carbon content in the companies' prov-
9 en oil, gas and coal reserves.

10 (b) No later than four years after the effective date of this section,
11 the board of trustees shall divest from any stocks, debt or other secu-
12 rities of any corporation or company, or any subsidiary, affiliate or
13 parent of any corporation or company, among the two hundred largest
14 publicly traded fossil fuel companies, as established by carbon content
15 in the companies' proven oil, gas and coal reserves, except that divest-
16 ment from stocks or other securities of companies engaged in the mining,
17 extraction or production of coal shall be completed no later than one
18 year after the effective date of this subdivision.

19 (c) The board of trustees shall be permitted to cease divesting from
20 companies under paragraph (a) of this subdivision, reinvest in companies
21 from which it divested under paragraph (a) of this subdivision, or
22 continue to invest in companies from which it has not yet divested upon
23 clear and convincing evidence showing that as a direct result of such
24 divestment, the total and aggregate value of all assets under management
25 by, or on behalf of, the board of trustees becomes or shall become: (i)
26 equal to or less than ninety-nine and one-half percent; or (ii) one

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

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1 hundred percent less fifty basis points of the hypothetical value of all
2 assets under management by, or on behalf of, the board of trustees
3 assuming no divestment from any company had occurred under said para-
4 graph (a) of this subdivision. Cessation of divestment, reinvestment or
5 any subsequent ongoing investment authorized by this section shall be
6 strictly limited to the minimum steps necessary to avoid the contingency
7 set forth in the preceding sentence. For any cessation of divestment,
8 and in advance of such cessation, authorized by this subdivision, the
9 board of trustees shall provide a written report to the attorney general
10 and the senate and assembly standing committees on higher education,
11 updated semi-annually thereafter as applicable, setting forth the
12 reasons and justification, supported by clear and convincing evidence,
13 for its decisions to cease divestment, to reinvest or to remain invested
14 in fossil fuel companies.

15 2. (a) Beginning one year after the effective date of this section, an
16 affiliated nonprofit organization or foundation shall not invest any
17 monies in any stocks, debt or other securities of any corporation or
18 company, or any subsidiary, affiliate or parent of any corporation or
19 company, among the two hundred largest publicly traded fossil fuel
20 companies, as established by carbon content in the companies' proven
21 oil, gas and coal reserves.

22 (b) No later than four years after the effective date of this section,
23 an affiliated nonprofit organization or foundation shall divest from any
24 stocks, debt or other securities of any corporation or company, or any
25 subsidiary, affiliate or parent of any corporation or company, among the
26 two hundred largest publicly traded fossil fuel companies, as estab-
27 lished by carbon content in the companies' proven oil, gas and coal
28 reserves, except that divestment from stocks or other securities of
29 companies engaged in the mining, extraction or production of coal shall
30 be completed no later than one year after the effective date of this
31 subdivision.

32 (c) An affiliated nonprofit organization or foundation shall be
33 permitted to cease divesting from companies under paragraph (a) of this
34 subdivision, reinvest in companies from which it divested under para-
35 graph (a) of this subdivision, or continue to invest in companies from
36 which it has not yet divested upon clear and convincing evidence showing
37 that as a direct result of such divestment, the total and aggregate
38 value of all assets under management by, or on behalf of, an affiliated
39 nonprofit organization or foundation becomes or shall become: (i) equal
40 or less than ninety-nine and one-half percent; or (ii) one hundred
41 percent less fifty basis points of the hypothetical value of all assets
42 under management by, or on behalf of, an affiliated nonprofit organiza-
43 tion or foundation assuming no divestment from any company had occurred
44 under said paragraph (a) of this subdivision. Cessation of divestment,
45 reinvestment or any subsequent ongoing investment authorized by this
46 section shall be strictly limited to the minimum steps necessary to
47 avoid the contingency set forth in the preceding sentence. For any
48 cessation of divestment, and in the advance of such cessation, author-
49 ized by this subdivision, an affiliated nonprofit organization or foun-
50 dition shall provide a written report to the attorney general and the
51 senate and assembly standing committees on higher education, updated
52 semi-annually thereafter as applicable, setting forth the reasons and
53 justification, supported by clear and convincing evidence, for its deci-
54 sions to cease divestment, to reinvest or to remain invested in fossil
55 fuel companies.

1 3. As used within this section, "an affiliated nonprofit organization
2 or foundation" means an organization or foundation formed under the
3 not-for-profit corporation law or any other entity formed for the bene-
4 fit of or controlled by the state university of New York or its respec-
5 tive universities, colleges, community colleges, campuses or subdivi-
6 sions, including the research foundation of the state university of New
7 York, to assist in meeting the specific needs of, or providing a direct
8 benefit to, the respective university, college, community college,
9 campus or subdivision or the university as a whole, that has control of,
10 manages or receives fifty thousand dollars or more annually, including
11 alumni associations.

12 § 2. The education law is amended by adding a new section 6234-a to
13 read as follows:

14 § 6234-a. Divestment from fossil fuels. 1. (a) Beginning one year
15 after the effective date of this section, the board of trustees shall
16 not invest any monies in any stocks, debt or other securities of any
17 corporation or company, or any subsidiary, affiliate or parent of any
18 corporation or company, among the two hundred largest publicly traded
19 fossil fuel companies, as established by carbon content in the compa-
20 nies' proven oil, gas and coal reserves.

21 (b) No later than four years after the effective date of this section,
22 the board of trustees shall divest from any stocks, debt or other secu-
23 rities of any corporation or company, or any subsidiary, affiliate or
24 parent of any corporation or company, among the two hundred largest
25 publicly traded fossil fuel companies, as established by carbon content
26 in the companies' proven oil, gas and coal reserves, except that divest-
27 ment from stocks or other securities of companies engaged in the mining,
28 extraction or production of coal shall be completed no later than one
29 year after the effective date of this subdivision.

30 (c) The board of trustees shall be permitted to cease divesting from
31 companies under paragraph (a) of this subdivision, reinvest in companies
32 from which it divested under paragraph (a) of this subdivision, or
33 continue to invest in companies from which it has not yet divested upon
34 clear and convincing evidence showing that as a direct result of such
35 divestment, the total and aggregate value of all assets under management
36 by, or on behalf of, the board of trustees becomes or shall become: (i)
37 equal to or less than ninety-nine and one-half percent; or (ii) one
38 hundred percent less fifty basis points of the hypothetical value of all
39 assets under management by, or on behalf of, the board of trustees
40 assuming no divestment from any company had occurred under said para-
41 graph (a) of this subdivision. Cessation of divestment, reinvestment or
42 any subsequent ongoing investment authorized by this section shall be
43 strictly limited to the minimum steps necessary to avoid the contingency
44 set forth in the preceding sentence. For any cessation of divestment,
45 and in advance of such cessation, authorized by this subdivision, the
46 board of trustees shall provide a written report to the attorney general
47 and the senate and assembly standing committees on higher education,
48 updated semi-annually thereafter as applicable, setting forth the
49 reasons and justification, supported by clear and convincing evidence,
50 for its decisions to cease divestment, to reinvest or to remain invested
51 in fossil fuel companies.

52 2. (a) Beginning one year after the effective date of this section, an
53 affiliated nonprofit organization or foundation shall not invest any
54 monies in any stocks, debt or other securities of any corporation or
55 company, or any subsidiary, affiliate or parent of any corporation or
56 company, among the two hundred largest publicly traded fossil fuel

1 companies, as established by carbon content in the companies' proven
2 oil, gas and coal reserves.

3 (b) No later than four years after the effective date of this section,
4 an affiliated nonprofit organization or foundation shall divest from any
5 stocks, debt or other securities of any corporation or company, or any
6 subsidiary, affiliate or parent of any corporation or company, among the
7 two hundred largest publicly traded fossil fuel companies, as estab-
8 lished by carbon content in the companies' proven oil, gas and coal
9 reserves, except that divestment from stocks or other securities of
10 companies engaged in the mining, extraction or production of coal shall
11 be completed no later than one year after the effective date of this
12 subdivision.

13 (c) An affiliated nonprofit organization or foundation shall be
14 permitted to cease divesting from companies under paragraph (a) of this
15 subdivision, reinvest in companies from which it divested under para-
16 graph (a) of this subdivision, or continue to invest in companies from
17 which it has not yet divested upon clear and convincing evidence showing
18 that as a direct result of such divestment, the total and aggregate
19 value of all assets under management by, or on behalf of, an affiliated
20 nonprofit organization or foundation becomes or shall become: (i) equal
21 to or less than ninety-nine and one-half percent; or (ii) one hundred
22 percent less fifty basis points of the hypothetical value of all assets
23 under management by, or on behalf of, an affiliated nonprofit organiza-
24 tion or foundation assuming no divestment from any company had occurred
25 under said paragraph (a) of this subdivision. Cessation of divestment,
26 reinvestment or any subsequent ongoing investment authorized by this
27 section shall be strictly limited to the minimum steps necessary to
28 avoid the contingency set forth in the preceding sentence. For any
29 cessation of divestment, and in advance of such cessation, authorized by
30 this subdivision, an affiliated nonprofit organization or foundation
31 shall provide a written report to the attorney general and the senate
32 and assembly standing committees on higher education, updated semi-annu-
33 ally thereafter as applicable, setting forth the reasons and justifica-
34 tion, supported by clear and convincing evidence, for its decisions to
35 cease divestment, to reinvest or to remain invested in fossil fuel
36 companies.

37 3. As used within this section, "an affiliated nonprofit organization
38 or foundation" means an organization or foundation formed under the
39 not-for-profit corporation law or any other entity formed for the bene-
40 fit of or controlled by the city university of New York or its respec-
41 tive universities, colleges, community colleges, campuses or subdivi-
42 sions, including the research foundation of the city university of New
43 York, to assist in meeting the specific needs of, or providing a direct
44 benefit to, the respective university, college, community college,
45 campus or subdivision or the university as a whole, that has control of,
46 manages or receives fifty thousand dollars or more annually, including
47 alumni associations.

48 § 3. This act shall take effect immediately.