

Associated Students of the University of California, Merced

Resolution #4

Resolution in Support of Divestment from Energy Transfer Partners

This resolution calls upon the University of California Board of Regents to divest all shares in companies accused of having investments in Energy Transfer Partners to uphold their commitment to the values set forth by the University of California System.

Introduced By:

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Background: The Dakota Access Pipeline (DAPL) is a planned pipeline that would, if completed, transport 500,000 barrels per day of crude oil from the Bakken oil fields in Northwest North Dakota to an oil tank farm near Patoka, Illinois. It is being constructed by Dakota Access, LLC, a subsidiary of Energy Transfer Partners, L.P., at a projected cost of \$3.8 billion. The University of California has shares in companies accused of having investments in Energy Transfer Partners, showing financial support for the mission and profit of companies involved with the Dakota Access Pipeline.

It is of great importance that the University of California serve as a premier leader for the emphasis of alternative fuel sources and a carbon neutral initiative. Divesting from companies involved with Energy Transfer Partners would show monetary action behind this sentiment and create an evident consequence by removing funds from companies supporting the construction of permanent oil transfer infrastructure.

Purpose: The purpose of this resolution is to demand the University of California Board of Regents to divest from all companies invested to comply with the values and mission statements set forth by the University of California, Merced and the University of California system.

1. **Whereas:** The University of California Policy on Sustainable Practices states that it “is committed to responsible stewardship of resources and to demonstrating leadership in sustainable business practices. The University’s locations should be living laboratories for sustainability, contributing to the research and educational mission of the University, consistent with available funding and safe operational practices” (page 5)¹; and,
2. **Whereas:** The policy also states that the University “will reduce consumption of nonrenewable energy by using a portfolio approach that includes a combination of energy efficiency projects, the incorporation of local renewable power measures for existing and new facilities, green power purchases from the electrical grid, and other energy measures with equivalent demonstrable effect on the environment and reduction in fossil fuel usage” (page 7)¹; and,
3. **Whereas:** The University of California has set the goal to have achieved carbon neutrality by 2025 (page 14)¹; and,
4. **Whereas:** The University of California has committed to researching “possible funding sources and financing alternatives for energy efficiency, renewable energy, and clean energy projects that will enable locations to most economically address their energy needs consistent with Policy goals” (page 15)¹; and,

¹ <http://policy.ucop.edu/doc/3100155/Sustainable%20Practices>

5. **Whereas:** The University of California, as of September 9, 2015, had announced that it had divested \$198 millions of the University's nearly \$100 billion portfolio from coal mining and oil companies focused on tar sands extraction²; and,
6. **Whereas:** According to the UCRP holdings report, the University of California, as of June 30, 2016, directly invests into Energy Transfers Partners (ETP), and indirectly invests into ETP by investing funds into banks that directly invest into ETP, such as Sunoco Logistics, Citibank, Intesa SanPaolo, Suntrust, and Wells Fargo and banks that offer credit lines to ETP such as ABN Amro Bank, Bank of America, Barclays, Compass Bank, Goldman Sachs, JP Morgan Chase, UBS, Morgan Stanley, and Royal Bank of Scotland^{3,4}; and,
7. **Whereas:** Continuing to invest in Energy Transfer Partners (ETP), a natural gas and propane company, as well as banks that directly or through credit line invest into ETP, contradicts statements made in the University of California-Policy Sustainable Practices; and,
8. **Whereas:** Investments in ETP have contributed to public safety issues created by attempted efforts in constructing the Dakota Access Pipeline including but not limited to:
 - The hiring of militarized private forces by ETP who have used pepper spray, water cannons in sub-zero temperatures, rubber bullets, and LRAD sound devices against non-violent Sioux Nation tribal members on their own, legally recognized land on the Standing Rock reservation in North Dakota as well as against members from different tribal nations throughout the United States;
 - Creating the inevitable result of oils spills that will contaminate the Missouri River, a source of fresh, clean water for both marginalized First Nations and marginalized, non-First Nations communities; and,
9. **Whereas:** The University of California, as of November 28, 2016, was aware of the first public safety referenced above as evidenced by the travel alert posted on the University of California, Office of the President Worldcue Trip Planner website; and,
10. **Whereas:** ETP has also been granted a permit to construct two other pipelines in, the Trans-Pecos Pipeline and Comanche Trail Pipeline, from Texas (the state where ETP headquarters are located) into Mexico⁵; and,

² <http://www.sustainabilitycoalition.org/fossil-free-uc-secures-coal-and-tar-sands-divestment-victory/>

³ http://www.ucop.edu/investment-office/files/invpol/UCRP_Holdings_2016.pdf

⁴ <http://www.yesmagazine.org/people-power/how-to-contact-the-17-banks-funding-the-dakota-access-pipeline-20160929>

⁵ <http://www.mintpressnews.com/beyond-dakota-access-energy-transfer-partners-pipelines-ferry-fracked-gasmexico/221775/>

- 11. Whereas:** Continuing to invest in corporations related to or partnered with oil interests, whether it be in regarding extraction and/or transportation of oil contributes to the following:
- The ongoing neo-colonialism, genocide, land dispossession, and displacement of First Nations peoples of North America as well as the continuous failures of the United States government to remain accountable to treaties made with First Nations' tribal governments;
 - Wars abroad for oil through the ongoing militarization of Southwest Asian and North African nations (SWANA), formerly known as the "Middle East", by the United States of America and the terrorization, forced displacement, and/or deaths of SWANA peoples
 - The hypermilitarization of the US-Mexico border that cuts through the lands of Indigenous communities where there's approval of the crossing of oil and companies yet disapproval and policing of Indigenous, immigrant, migrant, undocumented, and/or refugee communities from crossing
 - Increases in toxins and pollutants that disproportionately harm Indigenous peoples, the homeless, working class, and Brown, Black, and/or people of color, exposing such populations to environmental hazards that increases the likelihood of poor health conditions and facilitate premature death; and,
- 12. Whereas:** Any complacency in investing in ETP will further disseminate the University's role in "disproportionately harming marginalized communities, including [First Nations peoples], the homeless, working class neighborhoods, and people of color", locally, regionally, nationally, and internationally through militarization of land and marginalized communities⁶; and,
- 13. Whereas:** The University continues to greatly invest in the military system (through contributing to the Dakota Access Pipeline by investing into ETP, an oil company and partnered banks) and at the same time fails to properly invest in the education system and student needs regarding access and retention as the UC Regents have approved a proposal for tuition that increases total mandatory systemwide charges for undergraduate and graduate students of \$336 and increases Nonresident Supplemental Tuition to \$1,332 in addition to the mandatory systemwide charges for undergraduate students⁷; and,
- 14. Whereas:** "In 2014 the UC Regents voted to give the lowest paid Chancellors pay raises up to 20%, saying that it was an "injustice" they weren't paid more. This was just a year or so after the UC tried to unilaterally cut the pay of its service workers in AFSCME 3299, most of whom qualify for public assistance"⁸; and,

⁶ <http://nature.berkeley.edu/breakthroughs/sp13/confronting-the-climate-gap>

⁷ <http://regents.universityofcalifornia.edu/aar/janb.pdf>

⁸ <http://workeducationresistance.blogspot.com/2017/01/not-just-bad-apple-firekatehi-was.html>

15. Whereas: Increases in tuition and student fees disproportionately affects First Nations peoples, the homeless, working class communities, and/or Brown, Black, and/or people of color from accessing and being retained in the University; and,

16. Whereas: Investing in ETP and other companies - thereby contributing to the increased militarization and/or exploitation of land, water, air and marginalized communities - instead of funding the University - thereby making the University increasingly inaccessible for marginalized communities - is a misuse and mismanagement of University funds; and,

17. Whereas: Investing in ETP and partnered companies while increasing student tuition and student fees while also having increased administrators' six figure salaries, is a misuse and mismanagement of University funds that exploits marginalized students and communities; and,

18. Whereas: Investing in ETP and not the University and its students continues the privatization of land and education; therefore,

Be it Resolved: That the Associated Students of the University of California, Merced call upon the University and the University of California Board of Regents to divest all shares in companies accused of having investments in Energy Transfer Partners;

- Citibank
- Intesa SanPaolo
- Suntrust
- Bank of America
- Barclays Compass Bank
- Goldman Sachs
- JP Morgan Chase
- UBS
- Morgan Stanley
- Royal Bank of Scotland

Be it Further Resolved: That ASUCM urges the University to remain accountable to its announcement made on September 9, 2015 that it will absolutely divest current investments in coal mining and oil companies as well as companies that invest in coal mining and oil companies; and,

Be it Further Resolved: That ASUCM urges that, under no circumstances, will the UC invest in coal mining or oil companies or companies and banks that invest in such, neither in the present moment nor the future, and that this be established as University policy and be fully enforced; and,

Be it Further Resolved: That ASUCM urges that the funds divested from the companies and banks listed above will strictly be used to roll back student tuition and student fees and to create, strengthen, and maintain pathways for marginalized students' and communities' access and

retention in institutions of higher education and that this be established as University policy and be fully enforced; and,

Be it Further Resolved: That the University of California Merced and the University of California Board of Regents consider all aspects besides fiscal gain when investing in new companies to ensure they align with system-wide missions and values; and,

Be it Further Resolved: That ASUCM urges that, under no circumstances, neither in the present moment nor in the future, will there be any increases in the salaries of any UC President, UC Regents, UC Chancellors, or any other branch or level of University administration, so long as there are any system-wide and/or individual campus proposals of increasing student tuition or student fees and that this be established as University policy and be fully enforced; and,

Be it Finally Resolved: That ASUCM urges that students have absolute access to UC documents that state the exact amount of investments in all companies the UC invests in and that this be established as UC-wide policy and fully enforced.

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Date Introduced: _____

Submitted Senate Committee(s):

Date Settled: _____

Budget and Finance

Student Advocacy

Veto Expires: _____

Student Activities

Academic Affairs

Other _____

Comments/Recommendations:

Senate Action: Approved

Not Approved

Senate Chair Authorization: *Gabriel Hulbert* Date: 04/11/2017
Gabriel Hulbert, Internal Vice President

President Action: Approved

Not Approved

President's Signature: *Katelyn Fitzgerald* Date: 04/11/2017
Katelyn Fitzgerald, President