

GENERAL CONFERENCE PETITION GC03

2015 OREGON-IDAHO ANNUAL CONFERENCE

1 **TITLE: CREATE PETROLEUM AND NATURAL GAS INVESTMENT SCREENS**

2 **SPONSORING GROUP OR INDIVIDUALS: Vernon A. Groves and Bob Wilson, leaders in the**
3 **Creation Care Ministries of First United Methodist Church of Portland, USA.**

4 **SPOKESPERSON: Vernon A. Groves**

5 **SPOKESPERSON'S ADDRESS: 5496 SW 157th Pl., Aloha, OR> 97007**

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7 **SPOKESPERSON'S TELEPHONE: 503-641-5196**

8 **THIS PETITION is a new United Methodist Resolution**

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10 **LEGISLATIVE ASSEMBLY RECOMMENDATION: YES 2, NO 19, ABSTAIN**

11
12 *Whereas* the General Board of Pension and Health Benefits (GBOPHB) manages more than \$21 billion
13 in assets on behalf of United Methodist clergy, staff, agencies, churches, and other institutions; and
14 *Whereas* The United Methodist Church has acknowledged the risks of fossil fuel dependence for the
15 last 35 years through its Energy Policy Statement in the *Book of Resolutions* para. 1001; and
16 *Whereas* the investment policy goals of The United Methodist Church as outlined in the *Book of*
17 *Resolutions* para. 4071 include investing in corporations, companies, institutions or funds making a
18 positive contribution to the realization of the goals outlined in the Social Principles and the *Book of*
19 *Resolutions*, and exclude investing in companies that violate church values; and
20 *Whereas* the Social Principles state that climate change will bring “severe environmental, economic,
21 and social implications,” which will “disproportionately affect individuals and nations least
22 responsible for the emissions;” and
23 *Whereas* the GBOPHB maintains significant holdings in petroleum and natural gas companies; and
24 *Whereas* while shareholder advocacy can be effective in pressuring industries to change practices, it
25 cannot change petroleum and natural gas companies’ core business model, which is to produce
26 petroleum and natural gas; and
27 *Whereas* fossil fuel companies are spending up to \$600 billion each year to seek additional reserves
28 while governments worldwide spend another \$600 billion each year subsidizing their consumption;
29 and
30 *Whereas* the processes and byproducts related to the extraction of petroleum and natural gas are
31 damaging to the health of people who work in these industries as well as those who live on or near
32 extraction sites; and
33 *Whereas* the extraction and burning of petroleum and natural gas exacerbates climate change
34 putting at risk the future livability of our planet, and
35 *Whereas* limiting the warming of the earth to 2-degrees Celsius, the internationally agreed upon limit
36 for human survival, requires that the vast majority of the world’s fossil fuels be left in the ground;
37 and
38 *Whereas* avoiding the worst impacts of climate change urgently requires a transition to sustainable
39 clean energy; and

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1 *Whereas* United Methodists live and serve on the front lines of disasters like Hurricane Sandy,
2 Typhoon Haiyan, prolonged droughts, devastating floods, massive wildfires, and other extreme
3 weather events, which will increase in frequency and severity with climate change; and
4 *Whereas* continued investment in petroleum and natural gas companies undermines The United
5 Methodist Church's ministries to the most vulnerable among us—including those who are hungry,
6 sick and/or living in poverty; and
7 *Whereas* continued investment in petroleum and natural gas companies signals a grave disregard for
8 the lives of young people;
9 **Therefore, be it resolved** that the General Conference of The United Methodist Church petitions the
10 General Board of Pension and Health Benefits of The United Methodist Church to adopt the following
11 policy: Investments shall not knowingly be made in any company or entity whose core business
12 activity involves the production of petroleum or natural gas. Core business activity refers to a
13 company's primary, or central focus of activity and is an essential element in the company's
14 economic success. A "core business" is one that accounts for 10% or more of a company's revenue
15 derived from the objectionable products and/or services.

SUPPORTING INFORMATION

What will this action accomplish?

19 This action will signal that The United Methodist Church recognizes that its churches are on the front
20 lines of climate change around the world, and that it is wrong for the denomination's pension fund
21 and ministries to be funded through profits from the fossil fuel companies that are wreaking havoc
22 on God's creation.

24 Despite common belief, General Conference does not have the legal authority to direction the
25 actions and dictate policies of the pension board. General Conference isn't a fiduciary and it can't be
26 sued, so its actions related to creating investment guidelines don't carry significant legal risk. But the
27 pension board is a fiduciary--it has a legal and ethical responsibility to protect pension investments,
28 and as such, it can be sued by plan participants who believe its policies fail to meet its
29 responsibilities. Because this kind of lawsuit created real problems in the ELCA, the pension board
30 has a history of fighting against General Conference legislation that attempts to direct its investment
31 policies.

Why is it important?

34 Continued investment in fossil fuels undermines The United Methodist Church's ministries with
35 people around the world, particularly those who are young, old, sick, hungry and/or living in poverty.