



Press Release

**Tom Ammiano**

Assemblymember, Representing the 13th District

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**AMMIANO INTRODUCES SOCIALLY RESPONSIBLE INVESTMENT ACT  
AB 2337 Would Prohibit Use of State Pension Funds In Predatory Investment Schemes**

**Sacramento** – Assemblymember Tom Ammiano (D–San Francisco) has introduced the Socially Responsible Investment Act, AB 2337, a bill to prohibit the use of public pension funds in predatory investment schemes. The legislation would require CalPERS and CalSTRS to disclose and divest from any investments in companies engaged in predatory business practices that rely, or result in, the displacement of residents in affordable housing in order to generate profits for investors.

"It is unconscionable that hundreds of millions of dollars in public funds have been used in efforts to evict tenants from New York to California," said Ammiano. "Actions speak louder than words and CalPERS needs to make its claim of socially responsible investing a reality."

Tenants Together, California's statewide organization for renters' rights, has been urging CalPERS for over a year to voluntarily adopt "predator free" investment criteria, pointing to the large scale displacement of tenants in East Palo Alto and New York City fueled by CalPERS money. To date, the pension fund board has not taken action to screen out real estate investments that are premised on evicting tenants.

"The retirement funds of working people should not be used to evict working people. We applaud Assemblymember Ammiano for introducing this important bill that will ensure that public employee pension funds are not invested in predatory schemes that displace renters," said Dean Preston, Executive Director of Tenants Together.

Public pension funds have been a primary source of equity for what affordable housing advocates have termed "predatory equity", a form of real estate speculation predicated on the displacement of low and middle-income renters from affordable housing. In recent months, "predatory equity" investments have come under greater scrutiny in both California and New York as a result of tenant harassment and foreclosures.

"At its heart, this bill introduces greater transparency and accountability into California's pension fund investment decisions, something that will benefit communities across the country," added Christopher Lund, Communications Director of the East Palo Alto Fair Rent Coalition.

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