



CALIFORNIA STATE TREASURER JOHN CHIANG

NEWS RELEASE

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Treasurer John Chiang Urges CalSTRS to Divest in Sellers of Banned Assault Weapons and "Bump Stocks"

SACRAMENTO – State Treasurer John Chiang today urged CalSTRS board members to divest the pension fund's holdings in wholesale or retail sellers of military-style assault weapons, ammunition and other devices such as "bump stocks" that are banned in California.

Below is a transcript of the Treasurer's speech:

"Chairman Keiley and Investment Committee members...

"Exactly one month ago, on October 1st, a gunman – perched on the 32nd floor of the Mandalay Bay Hotel – opened fire on a crowd of innocent concert goers at the Route 91 Harvest Music Festival on the Las Vegas strip. From the moment the first round was fired to the last one that Stephen Paddock put into his own head, approximately 10 minutes passed. But, it was an eternity for the 22,000 concert goers desperately fleeing the 15-acre enclosed concrete lot . . .

. . . trying to find cover,

. . . clinging to life,

. . . saying their last goodbyes.

"Most Americans are shocked and deeply saddened by the massacre that killed 58 people and injured 546.

"But shock and remorse provide little consolation to the families who must now bury a child, a sibling, a spouse, or a loved one. There is a time for demonstrations of grief and declaring "never again," as there is a time to focus on what needs to be done.

"We have an opportunity today to do what needs to be done: to deny weapons of mass carnage to another killer stalking our innocent loved ones at school, work or . . . a Sunday evening concert.

"In 2013, this board responsibly reacted to the shootings at Sandy Hook Elementary School by divesting from companies that manufacture fire arms and ammunition that are illegal in California. While it was a complicated, two-year divestment process, we emerged from 2015 free of any investment holdings in companies that manufacture firearms and ammunition illegal for sale or possession in California.

"Now, I am urging you to go further.

"I respectfully call upon this board to divest its holdings of wholesale or retail sellers of these banned weapons. Neither taxpayer funds nor the pension contributions of any of the teachers we represent – including the three California teachers slain in Las Vegas – should be invested in the purveyors of banned military-style assault weapons.

"This includes bump stocks, slide-fire devices, and other accessories that can accelerate a semi-automatic rifle's rate of fire. These relatively easy-to-buy and inexpensive aftermarket products allow semi-automatic weapons to simulate automatic fire. A rifle that may normally fire at a rate of 45 to 60 rounds per minute can be altered to release a torrent of devastation at 400 to 800 rounds per minute.

"The deadly efficiency of these senseless products was on display last month when 58 were killed and more than 546 wounded in the span of ten minutes. According to the ATF, twelve bump-fire stocks were found on weapons recovered from the murderer's hotel room.

"This issue is of enduring importance to me."

"It would be recklessly inconsistent for anyone who supports California's assault weapons ban to believe that investing in companies selling these weapons or ancillary devices ensures teachers' retirement security.

"Divestment in such companies would be faithful to CalSTRS's existing investment policy and uphold the Board's fiduciary duty to the pension system's members. Current policy requires us to view our investment decisions through a number of prisms, one of which is risk of investing in companies making products detrimental to public health and safety. It would be difficult to argue that battlefield assault weapons and aftermarket accessories designed to rain down bullets don't fall into this category.

"I respectfully ask you to assign staff to develop a comprehensive accounting of CalSTRS's exposure to companies which sell the products mentioned in this letter and find a path to divestment.

Thank you."

Additional Information:

[Read the full letter](#) Treasurer John Chiang sent to CalSTRS to consider divestment in makers and sellers of assault weapons and "bump stocks."

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