

months later; and

WHEREAS, on June 27, 2018, the City Council of the City of Chicago officially denounced this so-called "zero tolerance" separation policy via resolution, joining a resounding chorus of condemnation; and

WHEREAS, in its fiscal year 2019 budget overview, the U.S. Immigration and Customs Enforcement (ICE) agency notes that the "[i]mplementation of the new policies has led to increases in arrests..." that "[i]n interior enforcement activity has continued to be significantly higher than recent years," and that it therefore expects to end fiscal year 2018 with an arrest rate increase of twenty-three percent (23%) over 2017 with no indication of abatement; and

WHEREAS, the relationship between these arrest numbers and the profitability of private detention centers has been widely reported and anticipated considering that the prison companies own and operate approximately two-thirds of ICE's detention capacity; and

WHEREAS, the two largest companies, CoreCivic, Inc. and GEO Group, Inc. are said to manage more than half of the private prison contracts and to have earned over \$4 billion in revenue in 2017; and

WHEREAS, as described in a September 2018 The Atlantic article, immigration "[d]etention is a boom industry, backed by such megafunds as Vanguard and BlackRock," with stock prices in CoreCivic and Geo Group rising by more than 100% in the months following Donald Trump's election; and

WHEREAS, the private prison industry has been widely and historically criticized for allegedly increasing profits by lessening security, staff, food quality, and mental and physical healthcare to unsafe and at times allegedly abusive levels; and

WHEREAS, in August 2018, the Chicago Teachers' Pension Fund voted to divest its holdings in private prison companies that operate immigration detention centers; and

WHEREAS, the decision followed an American Federation of Teachers report that cited humanitarian concerns and financial risks involved in what that organization's president described as "morally abhorrent detention centers that are both a stain on our nation and a risky financial bet;" and

WHEREAS, as reported in the Chicago Tribune, the Chicago Teachers' Pension Fund's action mirrors those of other entities-the New York City Pension Fund was the first to divest from the prison industry in June 2017 citing "alleged human rights abuses...and 'draconian' immigration policies," and the New York State Common Retirement Fund has done likewise; and

WHEREAS, additionally, the Philadelphia Board of Pensions and Retirements and the Cincinnati City Council voted to divest from private prison holdings and the California State Teachers' Retirement System is contemplating a similar measure; and

WHEREAS, in explaining the Chicago Teachers' Pension Fund's decision, its president stated, "[t]o make

money on human misery, that's not really what Chicago teachers are all about;" and

WHEREAS, this City Council posits that the same sentiment applies to its first responders, laborers, and others comprising the City of Chicago's workforce; and

WHEREAS, the City and its employees contribute to the Municipal Employees' Annuity & Benefit Fund of Chicago (MEABF), the Laborers' & Retirement Board Employees' Annuity and Benefit Fund of Chicago (LABF), the Policemen's Annuity & Benefit Fund of Chicago (PABF), and the Firemen's Annuity & Benefit Fund of Chicago (FABF) (collectively, "the Funds"); and

WHEREAS, the Funds have already adopted some investment restrictions involving matters of social concern such as MEABF, LABF, and PABF's investment policies reflecting restrictions on assault weapon manufacturer investments; and

WHEREAS, divestment policies can apply prospectively, precluding future investment even if current funds are not implicated; and

WHEREAS, City of Chicago officials including the treasurer, comptroller, clerk, and chief financial officer each hold board positions on one or more of the Funds; and

WHEREAS, this City Council urges its officials to undertake an examination of the Funds' investments for potential privately run immigration detention center involvement and to seek to adopt restrictions on future investments; and

WHEREAS, such action befits a City that has declared itself a friend to immigrants and foe to human rights abuses generally; now, therefore,

BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

That the Municipal Employees' Annuity & Benefit Fund of Chicago, the Laborers' & Retirement Board Employees' Annuity and Benefit Fund of Chicago, the Policemen's Annuity & Benefit Fund of Chicago, and the Firemen's Annuity & Benefit Fund of Chicago appear before the Committee on Finance and identify whether their respective funds have invested in companies that own or operate private prisons, plans for divestiture if so, and what action will be taken to update their investment policies to include a restriction on private prison company investments.

Alderman, 14 Ward