

Unlock Your Pension

Dump the prison stock. Invest in humanity.



Our money is winding up in the hands of for-profit prison companies.
Our future financial security should not be dependent on locking up
our community members and separating families.



Three Steps to Pension Divestment

1. Research your pension's investments.
2. Pass a divestment resolution at your local union and labor council.
3. Start a conversation between your union and the financial advisors of your pension.

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How to Divest Your Pension

Step One: Learn What's In Your Pension Fund

What are they doing with your money?

Too many public pensions and private retirement systems are invested in the for-profit private prison industry. Our future financial security should not depend on separating families; imprisoning youth, people of color, the poor, and immigrants; and the anti-union, anti-immigrant, racist practices and laws that make private prisons profitable.

While a pension's holdings can change rapidly, you can easily find out if your pension fund held private prison stock in the recent past. Only the investment managers of a pension fund will know what stocks and bonds are in that fund from day-to-day.

These public pension funds have a recent history of direct investment in private prisons:¹

ARIZONA STATE RETIREMENT SYSTEM
CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO
STATE BOARD OF ADMINISTRATION OF FLORIDA RETIREMENT SYSTEM
TEACHERS RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
NEW YORK STATE TEACHERS RETIREMENT SYSTEM
NEW YORK STATE COMMON RETIREMENT FUND
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO
OREGON PUBLIC EMPLOYEES RETIREMENT FUND
COMMONWEALTH OF PENNSYLVANIA PUBLIC SCHOOL EMPLS RETRMT SYS
TEACHER RETIREMENT SYSTEM OF TEXAS
UTAH RETIREMENT SYSTEMS

The only way to ensure your pension fund holdings do not include private prisons is to get your pension fund to **create a portfolio screen requiring immediate divestment from, and preventing all future investment in, the for-profit prison industry.**

You can also learn what your investment funds hold by talking with a financial advisor at the pension office. If you learn something new from your pension office, please tell us! Write us at info@enlaceintl.org.

¹ Securities and Exchange Commission 13-F filings. Report period ending March 31, 2014.



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Step Two: Pass a Divestment Resolution

Say NO to private prison investment

Unions and labor councils have a proud history of pushing for divestment from irresponsible and immoral corporations. **The way to pressure state and private pension funds to divest is by demonstrating mass, organized support for divestment among unions across your state.** A divestment resolution passed at your union, state council, and labor council is more effective than just calling the state pension fund as an individual.

Union divestment resolutions accomplish so much at once! Divestment resolutions can highlight the abusive anti-worker nature of private prisons, call on pension fund managers to divest, encourage a coordinated effort among unions in the state to push for fund divestment, and can support and amplify anti-private prison work already going on in your region.

Initiate a meeting in your union to discuss the need for divestment from inhumane private prisons and brainstorm how you want to divest. **See the appendix for a model divestment resolution** to pass at your local union and the labor council your union belongs to. If your union membership needs convincing, be prepared for flyering, teach-ins, online petitions, and house parties to build support for your campaign.

Got it passed? **Get some media attention!** Send a press release to local and national media outlets. Send in letters to the editor in your regional newspaper, write an op ed, and announce the action on your union website and social media sites. **Reach out to other unions and labor councils to pass divestment resolutions there as well.** See the appendix for a model outreach letter.

Need support with your divestment resolution? Check out enlaceintl.org for campaign ideas, factsheets and presentation materials. Contact Enlace at info@enlaceintl.org for political education materials. We have workshops and presentations available and could possibly attend your union meeting.



How to Divest Your Pension

Step 3: Meet with your financial manager

Power to do the right thing

Set up a meeting between your local and a representative of the financial investment officer or advisor for your pension after your union has taken a stand against prison investments. Ensuring that employees don't have to invest in industries they consider immoral should be a priority for pension fund managers. **In the appendix, you'll find a sample letter that your local can send to a pension investment officer to help start the discussion on private prison divestment.**

Once you have a meeting set up with an advisor, start the conversation with a straightforward question:

- I see from the Private Prison Divestment Campaign guide that our pension has invested in for-profit prison companies. Our union wants to make sure that none of our pension funds do that. Can you help?

Be ready to summarize your research from the Private Prison Divestment Campaign and other sources. You should have the answers to the following questions before you meet with a representative of our pension:

- Has your own pension fund already invested in for-profit prisons?
- Are you concerned that it might, and you want your pension to proactively prohibit investments in private prisons?
- Does the pension fund have a history of divestments or portfolio screens? For example, did your pension fund divest from South Africa during that country's apartheid regime (1980s & 1990s) or prohibit investments in tobacco or pornography?

Next start a conversation about your choices:

- How do we take private prison companies out of our current investment portfolio?
- Does our pension fund already have a social fund?
- Can a portfolio screen on private prisons be added to that social fund? If not, can you explain why in writing?

It's your money. How you invest in your future should be up to you.



Draft Union Resolution

The following resolution was adopted by the Sacramento Central Labor Council, AFL-CIO on May 20, 2014. Enlace drafted the resolution.

RESOLUTION CALLING ON PUBLIC INSTITUTIONS TO DIVEST FROM PRIVATE PRISONS AND URGING THE US SENATE FINANCE COMMITTEE TO DENY FUNDING FOR THE OPERATION AND CONSTRUCTION OF PRIVATE IMMIGRANT PRISONS

WHEREAS, the Sacramento Central Labor Council, AFL CIO has a history of opposing racially unjust abuse of workers including immigrants and people of color; and

WHEREAS, there exist no portfolio screens shielding the public institutions' investments from placement in the private prison industry; and

WHEREAS, the private prison industry is opposed to workers' exercise of the universally recognized right to organize and belong to unions of their choice; and

WHEREAS, the private prison industry and its financial institutional investors have successfully lobbied for immigration enforcement policies that resulted in the detention of over 2 million immigrants in the past 5 years; and

WHEREAS, the private prison industry's lobbyists successfully influenced Congress to kill comprehensive immigration reform in 2013; and

WHEREAS, the private prison industry continues to expand its lobbying efforts and campaign contributions, contributing approximately \$45 million in the last decade to state and federal governments; [1] and

WHEREAS, the private prison industry is entirely dependent on government contracts to incarcerate increasing numbers of immigrants and people of color to maintain financial viability for its investors; and

WHEREAS, the United States has a private prison bed capacity of over 130,000 beds, and most private prison contracts include contract clauses guaranteeing maximum occupancy; and

WHEREAS, the United States Congress mandated that 34,000 immigrant detention beds be filled each night in 2013; and

WHEREAS, detained immigrants are prosecuted as criminals with prison sentences, to be served in private prisons, ranging from 180 days to over 10 years for infractions that were handled primarily by the United States' civil legal system resulting in fines rather than incarceration prior to the Bush-Cheney Administration; [2] and

WHEREAS, most detained immigrants including children, survivors of torture, and refugees do not have an attorney because immigration law does not guarantee immigrants a right to counsel; [3] and



WHEREAS, the average daily cost of maintaining a system of immigrant detention could cost the United States \$5.05 million in fiscal year 2014; [4] and

WHEREAS, the United States faces a budget deficit in excess of \$642 billion that now accounts for 4% of the country's Gross Domestic Product; [5] and

WHEREAS, several United States judges have publicly questioned and cast doubt on the claim that detention deters unauthorized migration; [6] and

WHEREAS, detainees in private prisons are paid as little as 3 cents an hour for their labor; [7] and

WHEREAS, private prison industry detains immigrant workers who are mothers and fathers, some of whom have lived in the United States since childhood, and separates them from their community, children, spouses, and family; and

WHEREAS, the profits of the private prison industry are dependent upon pro-incarceration policies, exploitation of detained immigrants and incarcerated people of color, and continued investment in the industry's stocks and debt

NOW, THEREFORE, BE IT RESOLVED, that the Sacramento Central Labor Council, AFL CIO calls upon all local governments and public office holders within its jurisdiction to require the financial institutions that invest any public funds through stocks, bonds or other securities to wholly divest those investments from the private prison industry and create a portfolio screen preventing any future investments in the private prison industry: and

BE IT FURTHER RESOLVED, that the Sacramento Central Labor Council, AFL CIO calls upon all local governments to prohibit any and all persons acting on their behalf from entering into any financial relationships with private prison companies; and

BE IT FURTHER RESOLVED, that the Sacramento Central Labor Council, AFL CIO calls upon CALPERS to divest all of its holdings in the nation's two most notorious private prison companies, the Corrections Corporation of America and the GEO Group; and

BE IT FURTHER RESOLVED, that the Sacramento Central Labor Council, AFL CIO calls upon Senator Diane Feinstein and her colleagues on the US Senate Appropriations Committee to deny funding for the operation and construction of CAR prisons or any other facility whose purpose is to incarcerate immigrants; and

BE IT FINALLY RESOLVED, that this Resolution shall be sent to the Council's affiliates and sister central labor bodies urging them to act in a like manner.

[1] <http://www.thenation.com/article/173122/what-does-millions-lobbying-money-buy-five-congresspeople-pocket-private-prison-indus#>

[2] Operation Streamline: Costs and Consequences

[3] <http://www.nytimes.com/2013/03/31/sunday-review/immigrant-detainees-and-the-right-to-counsel.html>

[4] National Immigration Forum, The Math of Immigration Detention

[5] <http://www.cbo.gov/publication/44172>

[6] <http://www.businessweek.com/news/2013-09-24/congress-fuels-private-jails-detaining-34-000-immigrants>

[7] Jails Fargo: Banking on Detention



Draft Labor Outreach Letter

Dear Labor Organization,

We ask that you endorse and support our efforts to push the **[Pension Fund]** to pass a binding divestment resolution from the private prison industry. We are demanding that the **[Pension Fund]** divest all holdings in the private prison industry and create a portfolio screen preventing any new investments in the private prison industry.

Private prison corporations like the two largest, Corrections Corporation of America and GEO Group, build and operate prisons to make profits. This profit motive does not fit with the public safety rationale for government-operated prisons. National research shows that the profit drive of these corporations prevents unionization; does not provide adequate staff training; creates unsafe working conditions; promotes abuse and injuries to inmates; results in less secure facilities; and feeds the development and funding of legislation that has created mandatory minimum sentencing laws, three strike laws mandating life imprisonment, and a new apartheid system that disproportionately incarcerates people of color. Since 2001, the industry has aggressively lobbied for immigration enforcement policies, like Arizona's SB 1070, that have resulted in the detention of over 2 million people in the last five years. In 2012, CCA and GEO together spent \$1.2 million on lobbying the federal government; in return, they grossed \$2.7 billion in revenue for private prison and immigrant detention centers.

Despite recent declines in crime rates, the U.S. now boasts an incarceration rate that is 6 to 10 times greater than any other industrialized nation. No other country incarcerates such an astonishing percentage of its racial or ethnic minorities; over 60% of those incarcerated are Black or Latino. There is overwhelming evidence that prisons do not significantly deter crime, but instead create more crime. According to current trends, one in three young African American males will serve time in prison. Near the center of this conservative movement to increase incarceration and advance this new apartheid system of social control are those who will directly profit: the private prison corporations.

By investing in private prisons, the current investment policy of **[Pension Fund]** marginalizes communities of color locally and nationally. By investing in private prisons, the **[Pension Fund]**'s investment policy perpetuates extreme racial disparities in state and national criminal justice and immigration policies that result in misery in communities of color. We demand that the **[Pension Fund]** refine its investment policy to proactively advance equity through divestment from the private prison industry.

We are asking your labor organization to pass a resolution to show support for the divestment of private prison investments and to demand that **[Pension Fund]** take immediate action. We further ask that your union request a meeting with a representative of the financial investment officer for **[Pension Fund]** to discuss the importance of immediate divestment from the private prison industry.

Respectfully,



Draft Letter to Pension Investment Officers

To Whom It May Concern:

We, the membership of **[Union Local]**, are writing to request a meeting to discuss immediate divestment from the private prison industry. As of **[date of last Securities and Exchange Commission filing]**, **[Pension Fund]** had significant investments in the private prison industry. Investment in the for-profit prison industry undermines the values of public sector workers, by banking on anti-union companies that promote mass incarceration and immigrant detention.

We want the **[Pension Fund]** to divest all current holdings in the private prison industry and create a portfolio screen preventing any new investments in the private prison industry. Our union recently passed a resolution calling for **[Pension Fund]** to divest from private prisons; that document is attached.

Private prison corporations like the two largest, Corrections Corporation of America and GEO Group, build and operate prisons to make profits. This profit motive does not fit with the public safety rationale for government-operated prisons. National research shows that the profit drive of these corporations prevents unionization; does not provide adequate staff training; creates unsafe working conditions; promotes abuse and injuries to inmates; results in less secure facilities; and feeds the development and funding of legislation that has created mandatory minimum sentencing laws, three strike laws mandating life imprisonment, and a new apartheid system that disproportionately incarcerates people of color. Since 2001, the industry has aggressively lobbied for immigration enforcement policies, like Arizona's SB 1070, that have resulted in the detention of over 2 million people in the last five years. In 2012, CCA and GEO together spent \$1.2 million on lobbying the federal government; in return, they grossed \$2.7 billion in revenue for private prison and immigrant detention centers.

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The Employee Retirement System of Texas recently fully divested from the private prison industry. We want **[Pension Fund]** to follow their lead, and fully divest our money from the private prison industry. Our future financial security should not be dependent upon the separation of families and imprisonment of our community members.

Respectfully,

