



Legislation Text

File #: 79719, **Version:** 1

Fiscal Note

This resolution establishes policies and procedures regarding city purchasing and investments related to companies that produce nuclear weapons.

Generally, the resolution prohibits purchases of more than \$50,000 from these companies, prohibits investments in these companies, and limits investments in US Treasury bonds and notes to no more than 20 percent of the City's investment portfolio. These limits can be waived under certain conditions, with reporting requirements to the City Finance Committee or action by the Finance Committee to implement any waivers.

The current share of the City's investment portfolio that is in US Treasuries is less than 1 percent and none of the portfolio is invested in companies that produce nuclear weapons.

Use of any waivers is expected to be limited.

Under the resolution, the Finance Director will educate city agency staff about companies that produce nuclear weapons using information from publicly-available sources and will establish purchasing policies to assist City agencies with complying with the prohibitions in this resolution.

Workload associated with the provisions in this resolution is expected to be manageable within current resource levels.

The resolution does not include an appropriation.

Title

Supporting limitations on city purchases from nuclear weapons producers.

Body

WHEREAS, nations across the globe still maintain over 15,000 nuclear weapons, some of which are hundreds of times more powerful than those that obliterated Hiroshima and Nagasaki, and detonation of even a small fraction of these weapons would cause suffering and death for most of the Earth's population and a decade-long nuclear winter; and

WHEREAS, the United States of America plans to invest over one trillion dollars over the coming decades to upgrade its nuclear arsenal, which many experts believe actually increases the risk of nuclear proliferation, nuclear terrorism, and accidental nuclear war; and

WHEREAS, in a period where federal funds are desperately needed in communities like Madison in order to build affordable housing, improve public transit, and develop sustainable energy sources, our tax dollars are being diverted to and wasted on nuclear weapons; and

WHEREAS, investing in, and purchasing from, companies producing nuclear weapons implicitly supports this misdirection of our tax dollars; and

WHEREAS, socially responsible investment options and vendors are available that can continue to meet the city's investment and purchasing goals while excluding nuclear weapons producers.

NOW THEREFORE BE IT RESOLVED, that the Mayor and Common Council of the City of Madison declare that it is the policy of the City of Madison not to invest in, or purchase from, companies that produce nuclear

weapons; and

NOW THEREFORE BE IT FURTHER RESOLVED, that Finance Director/City Treasurer shall not invest City of Madison funds in companies that produce nuclear weapons and will limit the amount invested in US Treasuries to no more than 20 percent of the investment portfolio unless otherwise required by Bond Indentures or other contractual requirements or through either waiver by the Finance Director for up to 50 percent of the portfolio and waiver above 50 percent of the portfolio by the Finance Committee; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the City shall not make purchases of more than \$50,000 from companies that produce nuclear weapons, or their subsidiaries, based on publicly available information; and

NOW THEREFORE BE IT FURTHER RESOLVED, that public works contracts as governed by state law, contracts with another government entity, including the federal government and all of its related entities, are exempt from this provision; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the Finance Director, for contracts between \$50,000 and \$250,000, may grant a waiver from this requirement if there is no reasonable alternative business that provides the required service;

NOW THEREFORE BE IT FURTHER RESOLVED, that the Finance Committee may authorize a waiver for contracts above \$250,000; and

NOW THEREFORE BE IT FURTHER RESOLVED, that contracts for essential public safety and enterprise services, such as IT software and hardware or radio and communications equipment, may be granted waivers by the Finance Director in consultation with the appropriate department head, regardless of contract size; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the Finance Director will report to the Finance Committee annually on all waivers granted; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the Finance Director shall take steps to educate City agency staff about companies that produce nuclear weapons through dissemination of information from publicly-available sources and establish policies that City agencies seek to avoid purchases from those companies or find alternative vendors for any existing contracts with these companies; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the intent of the resolution is to limit city purchases from nuclear weapons producers, based on information from publicly available sources. For purposes of this resolution, the Finance Director shall define publicly-available sources and companies that produce nuclear weapons based on those sources.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that City Council, on behalf of the residents of Madison, call on the United States and our elected officials to lead a global effort to prevent nuclear war via the following actions:

- Actively pursue a verifiable agreement among nuclear armed states to eliminate their nuclear arsenals, as required by the Nuclear Non-Proliferation Treaty (NPT) of 1970 and specified in the Treaty on the Prohibition of Nuclear Weapons (TPNW) of 2017.
- Renounce the option of using nuclear weapons first.
- End the president's sole, unchecked authority to launch a nuclear attack.
- Take U.S. nuclear weapons off hair-trigger alert.
- Cancel the plan to replace the entire U.S. arsenal with enhanced weapons.

NOW THEREFORE BE IT FINALLY RESOLVED, that the Mayor and Common Council of the City of Madison call upon the State of Wisconsin, University of Wisconsin-Madison, Madison College, Dane County and the Madison Metropolitan School District to stop investing in, or purchasing from, companies that produce nuclear weapons.