



About This Policy

Amending municipal banking policies to reflect our values is an important part of divesting from war and weapons. The Divest from the War Machine coalition has created this sample banking policy to give citizens and municipal officials a roadmap in considering how their banking policies can drive a new conversation around priorities that do not include supporting institutions that profit from war. The Divest from the War Machine coalition has based this banking policy on the work of the City of West Hollywood; we applaud their efforts to highlight what positive contributions and a clear exclusion for negative investments.

How War & Weapons Are Profiting at the Expense of Local Communities

In 2017, the U.S. spent more than \$818 billion on the Pentagon and its programs. More than \$300 billion of that went to weapons manufacturers and war profiteers. That's \$300 billion of our tax dollars going to line the pockets of CEOs who are profiting from war around the world and at home. In 2017, the CEOs of the top five weapons manufacturers in the U.S. collected salaries that totaled \$96 million, while American communities continue to struggle to provide basic services as federal support is slashed.

For perspective: \$1 billion in military spending creates approximately 11,200 jobs. That same \$1 billion would create 26,700 jobs in education, 16,800 in clean energy, and 17,200 in health care. So why are we using public dollars to subsidize these corporations, at the expense of what our local communities need?

The military and its contractors are also some of the worst polluters in the world. Standard controls, such as bans on open-air burning and compliance with the Coastal Zone Management Act, are routinely circumvented or categorically ignored. These actions jeopardize the health and economy of local waterways, and poison local air.

Our communities can take back the power of the purse, and pull their support from those who seek to do harm and profit from harm inflicted upon others. We do not have to allow public dollars to support those who are making a killing on killing.

About the Coalition

The Divest from the War Machine campaign seeks to divest our assets from war and weapons. The coalition consists of more than 70 organizations from across the United States. Learn more at www.divestfromwarmachine.org, or contact divest@codepink.org



SAMPLE BANKING POLICY

[City Name] seeks to engage with financial institutions that incorporate our core values into their corporate model.

Our core values include:

- Respect and Support for People
- Responsiveness to the Public
- Idealism, Creativity and Innovation
- Quality of Residential Life
- Promote Economic Development
- Public Safety
- Responsibility for the Environment

The City aims to make decisions for banking with financial institutions based not only on fiscal responsibility, but also social responsibility. [City Name] does not do business with any institution, company, or corporation, including subsidiaries and affiliates, that practices or supports, directly or indirectly, through its actions, discrimination on the basis of race, religion, color, national origin, sex, sexual orientation, gender identity, political affiliation or opinion, medical condition, or pregnancy or pregnancy-related condition.

The City further does not do business with any institution, company, or corporation that supports, directly or indirectly, the military-industrial complex, including military weapons companies, military contractors, and civilian gun manufacturers.

The City does not do businesses with any institution which violates environmental regulations. The City further prefers to partner with institutions that have a demonstrated history of advancing and promoting environmentally responsible policies beyond existing regulations.

All socially responsible considerations are in addition to compliance with [any additional state laws or other relevant regulations.]

[City] has a strong desire to develop a long lasting relationship with a Financial Institution that displays fiscal and social responsible banking and has a core commitment to the community through support of affordable housing, economic development, non-profit organizations, small businesses and job creation.



It is the City's intent to maintain all banking services with one financial institution that can provide socially responsible banking, meet the City's needs and maximize the City's cash flow and earnings as well as minimize administrative costs and service fees.

To meet the City's Social Conscious Banking Policy, institutions must engage in:

1. Investments that support community well-being; promote equality of rights regardless of sex, race, age, disability, or sexual orientation; and promote community economic development.
2. Involvement in communities that have a strong representation in [City].
3. Investments made in entities that support a clean and healthy environment.
4. Investments with underserved communities, including small/medium sized businesses, non-profits, affordable-housing developers and community facilities.

Institutions must further demonstrate commitment to the community, including leadership activities that demonstrate the institution's commitment to the Community. Additionally, the institution should:

1. Use innovative processes to promote healthy communities and that are socially responsible.
2. Use methods that encourage recycling of materials and implementation of environmentally friendly practices and procedures.
3. Have or develop initiatives to address the credit needs of City residents and businesses, including low and moderate income and minority residents.
4. Have or develop business products that are designed for the following consumers: un-banked or under-banked, elderly, youth, low income, no credit, poor credit, others.

Institutions must be able to demonstrate that they do not have:

1. Consent orders issued within five years for improper sales practices placed by the Consumer Finance Protection Bureau or other federal or state regulatory agency to protect consumers from improper sales practices; or any other Federal or state enforcement order.
2. Investments in organizations or companies that support the production of weapons, including civilian firearms, as well as military systems, military contractors, or nuclear power.
3. Investments in private prisons, fossil fuel companies, tobacco or tobacco related products.