

# THE BOND BUYER

## Gun policy makes social and financial sense, Connecticut treasurer says

By Paul Burton

Published December 04 2019, 10:20am EST

More in [Public pensions](#), [Sell side](#), [Shawn Wooden](#), [State of Connecticut](#), [Citigroup](#), [Connecticut](#)

Connecticut's public pension funds will divest holdings in civilian firearms manufacturing companies and prohibit future investments, state Treasurer Shawn Wooden said.

Wooden's office is fiduciary for more than \$36 billion in pension and trust assets for roughly 212,000 state employees, teachers, and retirees.



"If money talks, than we want our policy to speak loud and clear," said Connecticut Treasurer Shawn Wooden.

The Connecticut Retirement Plans and Trust Funds, according to Wooden, now holds securities

valued at \$30 million in companies directly involved, fully or in part, in the manufacturing of civilian guns and ammunition.

Wooden said replacement securities for that small share of pension fund assets will present less risk under the initiative he calls the Responsible Gun Policy.

From an investment perspective, he said, civilian gun manufacturers face significant risks that affect company profitability and long-term shareholder value. "Often a volatile investment, the stock prices of these companies present unnecessary financial and business risks associated with the products manufactured," he said.

He cited the U.S. Supreme Court's decision to allow the families of Sandy Hook victims to proceed with their claims against Remington Arms. On Dec. 14, 2012, 27 people died, including 20 first-graders, in the Sandy Hook Elementary School massacre in Newtown, in western Connecticut,

"If money talks, than we want our policy to speak loud and clear — the status quo must change to produce better returns and safer communities," Wooden said Tuesday. "Through divestment, disclosure and decision-making at the Connecticut Treasury we will change the way we do business and work to be part of the solutions in reducing gun violence."

In Connecticut alone, according to Wooden, the cost of gun violence averages \$1.2 billion a year and claims about 180 lives annually.

Wooden, who took office last January, said his new also encourages companies to adopt safe-gun policies, and requests banks and financial institutions that wish to work with his office to disclose their policies on and relationships to guns in the civilian market.

The initiative also seeks to partner with and promote corporate best practices on safe gun policies. Wooden said his office will consider a financial institution's gun policy as one factor when awarding business.

"Gun violence is a matter of significant financial concern, which warrants the attention of the treasurer's office," Wooden said.

Wooden also announced the hiring of Citi and Rice Financial to lead Connecticut's next bond offering — \$890 million in general obligation bonds. Both financial institutions, he said, have gun-safety policies.

He cited Citi's announcement of its gun policy for retail-sector clients, which included requirements for universal background checks, an age requirement of 21 for gun purchases and a ban on the sale of bump stocks and high-capacity magazines.

That policy led to Citi being [barred from underwriting](#) a Louisiana bond deal after it failed a litmus test imposed by pro-gun politicians there.

Moody's Investors Service and S&P Global Ratings rate Connecticut GOs A1 and A, respectively. Fitch Ratings assigns A-minus and Kroll Bond Rating Agency rates them AA-minus.

## **Paul Burton**



---

For reprint and licensing requests for this article, [click here](#).

---