State carbon tax can help state pension fund

I appreciate that state Comptroller Thomas DiNapoli is pushing ExxonMobil to disclose risks from climate change to its assets and investors and to demonstrate that it will be resilient in our low-carbon future. With nearly $1 billion invested in ExxonMobil, the state's pension fund has much to lose.

Despite divestment pressures, DiNapoli could support continued investment in high-profile ExxonMobil in order to influence policy and transparency at it and similar companies. DiNapoli may also simultaneously support divesting from riskier, smaller fossil-fuel businesses. Selectively divesting from some fossil-fuel firms while holding a few key ones isn't unreasonable.

If the pension fund continues to hold ExxonMobil stock, it's also important for the fund to explain to stakeholders why it supports a national revenue-neutral carbon tax and why such a tax would lower emissions, curtail risks and benefit the long-term value of the fund. Pension stakeholders could then discuss with their congressional representatives why a tax might benefit their pension and long-term economic interests.

People hear "carbon tax" and think it's not good for them, not knowing it could have an effect on their pension fund's value.

Until Congress enacts a carbon tax, state pension stakeholders could lobby their state legislative representatives for a state carbon tax. Massachusetts and Rhode Island are considering similar bills. Make 2017 the year for tri-state carbon taxation.

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