

Chair Nathanson, Vice-Chairs Pham and Reschke, and Members of the House Revenue Committee:

For the record my name is Twila Jacobsen and a retiree from public service and a grateful PERS member.

As PERS member I care how my retirement savings are being invested. Our retired members, and the communities throughout Oregon where they live, benefit from the responsible investments that help ensure a dignified retirement.

Oregonians are familiar and for some, intimately impacted by challenges presented by the climate crisis and systemic environmental racism. How are we going to transition an economy that is geared to growth and extraction of profit from materials and labor in a meaningful way? We need to think beyond quarterly statements and short-term metrics.

I attended the Oregon Investment Council Meeting held September 8, 2021. The topic overall was ESG, Environmental, Social and Governance criteria. Over an hour was spent listening to and questions for Lukasz Pomorski, Ph.D., Managing Director, AQR and Yale University presenting “Responsible Investing: Choices and Consequences”. Here are a few points made during his presentation:

- A large position for holding stock in order to change practices in a problem company is 5% +. This is a high amount to reach. (This is an argument made by Treasurer Read that OIC can make problems better by participating as a stockholder).
- More information results in better investing – ESG can provide meaningful information. (Transparency would create a positive pressure on the staff to perform due diligence and make a case for holding stocks in carbon based investments).
- Green investments seem to be outperforming “brown” investments.

I am encouraged that Treasurer Read seems to acknowledge these risks and opportunities. In 2015 he stated that, “Climate change has a direct impact on a company's investments and shareholders have a right to know these risks. As your State Treasurer, I will work with businesses and regulators to require disclosure about the serious economic costs that come from investing in carbon”¹. And more recently he has stated “What we need now is bold leadership and honest conversations from state leaders, and decisions that prioritize long-term investments to save lives and protect property”².

¹https://www.oregonlive.com/politics/2015/07/tobias_read_makes_run_for_stat.html 7/8/2015.

² https://pamplinmedia.com/pt/10-opinion/518245-414070-read-no-denying-it-climate-change-fight-requires-bold-action?wallit_nosession=1&emci=df6dbd29-1dfd-eb11-b563-501ac57b8fa7&emdi=4e4d60cd-1dfd-eb11-b563-501ac57b8fa7&ceid=20454928 8/11/2021.

This Treasury Transparency Bill (HB4115) will shine a light on the holdings of the Oregon Treasury, which manages \$130 billion of our money.

This bill will give Oregonians a tool to ensure our state is investing in ways that match our state's needs and values – from the climate to human rights to the energy transition. As co-chair of SEIU503 Climate Justice Committee, it is important to me that transparency is at the heart of Oregon's climate fight.

Thank you.

Twila Jacobsen
PERS member and retiree
Eugene/Lane County