



February 3, 2022

Chair Nathanson
House Committee on Revenue
Oregon State Capitol
Salem, OR 97301

Re: Support for HB 4115

Chair Nathanson and Members of the Committee,

With the passage of HB 2021 last year, Oregon became a global leader in the clean energy transition. It is time to ensure that our State's fiscal policies match that ambition, and to begin the process of divesting from fossil fuels. A reasonable first step is to create transparency within our State Treasury. As HB 4115 comes before the House Committee on Revenue, we submit these comments in strong support. Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization that advances innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

Oregonians are already feeling the effects of climate change. Devastating wildfires, drought, and water constraints are here, and they will intensify without effective climate mitigation measures. Given the unprecedented nature of these impacts, particularly on frontline and Black, Indigenous, and People of Color communities, the public's interest in climate risks associated with our State's fiscal policy is well placed. We deserve to know where our money is invested. Unfortunately, the Treasury only shares about half of their investment holdings, totaling \$130 billion of public money, on an annual basis through the Oregon Investment Council website.

Oregon must continue to show true climate leadership. Without access to the data regarding State investments and associated climate risks, the public is left in the dark. In fact, Oregon is falling behind other US states. In 2021, Maine became the first US state committing to full fossil fuel divestment through legislation. New York State has announced a phased divestment of state funds from fossil fuel companies. Others, including California, Colorado, Massachusetts and New Jersey, are considering divestment measures similar to the one passed in Maine. The modest provisions in HB 2021 will ensure that the residents of our State are afforded a level of transparency to decide for themselves whether to follow our peers.

We acknowledge the importance of the State Treasury's fiduciary duty. PERS manages the retirement benefits of over 130,000 public employees. That is a solemn responsibility. However,

hundreds of private and public institutions have proven over the last several years that they can both protect pensions *and* divest from fossil fuels. This is no longer a risky model, but it does require some preparation. We are confident that PERS will be *better* positioned to serve the needs and desires of its members with a higher level of transparency into its investments.

We also strongly support public disclosure of any climate risk assessment the Treasury conducts with regard to its investment holdings.

It is time for our fiscal policies to match our values in Oregon. HB 4115 represents a simple and easily executable first step toward that goal by making our Treasury more transparent and accountable.

Sincerely,

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