

Submitter: Janice Karpenick
On Behalf Of: Washington County Democrats
Committee: House Committee On Emergency Management, General Government, and Veterans
Measure: HB2601

Chair Grayber and Committee members,

I am writing on behalf of the Washington County Democrats in support of HB2601: The Treasury Investment and Climate Protection Act.

We believe that climate change is real, and action is urgently required to forestall the worst effects of the continued use of fossil fuels. We agree with the International Energy Agency, "If governments are serious about the climate crisis, there can be no new investments in oil, gas, and coal, from now - from this year."

Oregon is a leader in legislation to move our state to a green future. Current investment by the Treasury in fossil fuels of at least \$5.3 billion (and likely billions more in private equity) does not align with that path, and indeed continues to fund the sector that is driving the climate crisis. In fact, Treasury's own Climate Risk Assessment done in October 2021 warns of decreased investment returns to the portfolio, including PERS.

HB2601 speaks to two values of the Washington County Democrats: We work for a sustainable future and we stand for governmental integrity. We agree with Treasurer Read on multiple points:

- Fossil fuel investments create substantial risk to the Oregon Treasury portfolio and it must be "decarbonized."
- We need to expand existing investments in renewable energy and clean technology,
- Continue efforts to more fully incorporate ESG (Environmental, Social, and Governance) risks into Treasury's portfolio management,
- Commitment to appropriate reporting mechanisms and timelines, including reports to the legislature.

Therefore, we believe divestment from fossil fuels helps put us on a path to sustainability by not supporting companies contributing to the climate crisis. In addition, we believe transparency is a fundamental component of governmental integrity. HB2601 accomplishes both of those things.

The question is not IF climate risk requires change, but rather When and How. The time is now using the staged divestment strategy outlined in this bill. New York, Maine, and multiple other and varied institutions are already doing so. Please add Oregon to that ever growing list and support HB2601.

Thank you,