

I am an enthusiastic proponent of HB 2601 (Treasury Investment and Climate Protection Act) and I welcome the opportunity to comment on this important bill. I have been a PERS member since 1988, when I joined the faculty at Oregon Health Sciences University. I also serve on the Climate, Energy and Environment Team of the Consolidated Oregon Indivisible Network, which strongly supports this legislation.

Until last year, I rested assured that the Oregon State Treasury was making informed, responsible investments for Oregon, particularly regarding PERS pension funds.

As a PERS member and beneficiary, I am aghast to find out that approximately 60% of the \$90 billion of Oregon Treasury funds invested in PERS are in Private Equity funds -- a primary source of funds for the fossil fuel industry. This, despite the fact that fossil fuels are driving the climate crisis and are a risky mid- and long-term investment. Thus, financial urgency and risk of the climate crisis on PERS funds requires no new fossil fuel investments and a phased exit from existing holdings

As a private citizen, I am actively involved in stewarding our natural resources in the context of impacts of climate change on our economy and landscape. I am deeply disturbed by Oregon Treasury investments in the fossil fuel industry in both PERS and non-PERS portfolios, and the risk that these investments create for the sustainability of the Treasury for all Oregonians. Furthermore, I am alarmed at the lack of accountability demonstrated by Treasury leadership and by the lack of transparency in providing clear information to Oregonians on where and how their money is invested.

To be fair, Treasurer Read published a report in February 2022, [Climate Risk Scenario Modelling Report](#), which agrees that PERS public equity fossil fuel investments are a financial risk to the Treasury, and that the portfolio needs to be “decarbonized”. Less than a year later, the Treasury made a half-billion dollars’ worth of NEW investments in fossil fuels in January 2023. Clearly, there is a lack of oversight of the Oregon Treasury. It is clearly time for a legislative statute to provide certainty and structure for a permanent, enforceable solution to this serious problem.

I want to feel confident again that the Oregon Treasury is protecting the investments not only for PERS beneficiaries but for all the good people of Oregon, as we grapple with the reality of climate change and practice responsible stewardship of our natural and financial resources. I believe this bill is a clear and expedient way to accomplish that.

Thank you for your support of HB 2601. I am very grateful for the leadership of the co-sponsors of this bill: Senators Jeff Golden and Michael Dembrow, and Representatives Courtney Neron, Maxine Dexter, Rob Nosse, Khanh Pham, Jules Walters, and Mark Gamba.

Sincerely,

Patricia L. Kramer, Ph.D.
Portland
Emeritus Professor of Neurology, OHSU
Member, Climate, Environment and Energy Team of the Consolidated Oregon Indivisible Network (COIN)

