

*Thank you for the opportunity to testify on HB 2200 on March 13, 2025. Here is my complete testimony:*

Chair Tran, Vice Chairs Grayber and Lewis, members of the committee,

My name is Steve Demarest. I am a retired state worker and a PERS beneficiary who is a member of the Treasurer's Beneficiary Advisory Committee. I am a member and past president of SEIU Local 503, and speak on its behalf today. SEIU 503 represents over 72,000 Oregon workers and retirees, both PERS members and non-members. My Union's members have formally and strongly affirmed support for efforts to bring the carbon emissions of OPERF investments to net zero as soon as financially feasible and for transparency in state Treasury investments. Therefore, SEIU 503 supports HB 2200, which furthers both of those goals.

HB 2200 does not change or alter the fiduciary duty of the Treasurer and the Oregon Investment Council to generate returns from the Oregon Public Employees Retirement Fund portfolio to fund benefits for beneficiaries. However, the fact is that OPERF is a large, mature fund and must be managed accordingly. That means managing risks to the portfolio.

In 2025 and in the future, to adequately manage risks requires managing economic risks from climate change and from energy transitions.

The language of HB 2200 is clear. It repeatedly affirms the requirement that the OIC and the State Treasurer act reasonably and in a manner consistent with statutory fiduciary responsibilities.

It provides for active analysis and management of risks from climate change, incorporating science as science evolves. It establishes goals of reduction in the carbon intensity of the fund and of participation in a just transition to a low-carbon economy, a benefit to beneficiaries and to all Oregonians. It requires reporting to the legislature, in collaboration with beneficiaries, on progress towards an investment program that addresses the impact of climate change. It indemnifies the OIC and Treasury from claims arising from the pursuit of these provisions.

This bill is positive for OPERF, for the people who oversee and manage it, for its beneficiaries, and for Oregonians. SEIU 503 and I support its passage. Thank you.