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Oregon Faith Movement

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Representative Nathanson, Chair
House Committee on Revenue

Chair Nathanson and Committee Members,

Committed to mutual respect and understanding, Ecumenical Ministries of Oregon (EMO) and Oregon Interfaith Power and Light (OIPL) bring together communities of faith to learn, serve, and advocate for justice, peace, and the integrity of the Earth community. EMO's membership includes 15 denominations and over 675 congregations, organizations, and interfaith partners, a collection of thousands of diverse members of the faith community all across the state. Our direct service programs serve hundreds of thousands of clients each year.

We urge you to support HB 4115-1, the Treasury Transparency Bill, which is a common-sense, good governance bill that would require the Oregon Treasury to publicly release a complete list of all portfolio holdings in every asset class permissible by statute and make public the 2021-2022 climate risk assessment of investments managed by the Oregon State Treasury.

As people of faith, we are united by a core and common obligation to serve one another and the Earth. We are compelled to stand up for our most vulnerable siblings, who experience the dangerous effects of climate change first and worst. In recent years, we have joined crucial efforts to achieve environmental justice and sustainable solutions to the climate crisis, including advocacy that resulted in the 2020 Oregon Climate Action Plan and the legislature's passage of the 100% Clean Energy bill in 2021.

As mentioned in our verbal testimony, we believe now is the time to ensure our state's investment strategies are as financially sound and climate-wise as our energy policies. Oregon's Treasury oversees \$140 billion in investments, and \$97 billion of that is in OPERF funds. The public's access to information about the financial and climate risks associated with those investments has significant gaps.

We do not know whether our state's investments and retirement funds are contributing to the climate crisis, nor if the \$97 billion of PERS funds will be solvent when today's public employees retire or if their assets will be stranded in no-longer-profitable fossil fuels. **HB 4115-1 is a good governance bill that seeks to answer these important questions by making public disclosure of Oregon's assets routine.** This bill will allow Oregonians to know what their investments are funding and for us to be informed about the results of the 2021-2022 climate risk assessment.

After Divest Oregon, of which EMO is a coalition member of, submitted a public records request in early fall 2021, it took four months, repeated request, and public pressure for the Treasury to provide a list of OPERF investments. This process was arduous, but it proved the Treasury's ability and responsibility to provide this information. **HB 4115-1 would make this a routine process and ensure this data is available to the whole public annually.**

Other state Treasuries already disclose their assets on an annual or quarterly basis. Furthermore, the Treasury Transparency Bill in its current amended form, HB 4115-1, has been negotiated between Oregon Treasury and the legislative sponsors and stakeholders to preserve all public-records exemptions; **HB 4115-1 will not compromise or reveal Treasury's confidential strategic investment plan**, but simply requires transparency and accountability of information that is already supposed to be publicly available so Oregonians and OPERF members can know how their funds are being invested.

The Treasury is required to act in the best interest of their clients. Investments in fossil fuel companies are not receiving as beneficial financial return on investment as they once were, and arguably they are not in the clients' best interests due to creating an economy and ecology that are more volatile. Supporting funds that lead toward a livable future will be more beneficial to clients than anything else, both in terms of environmental health and financial wellbeing.

To be clear, this current bill does not provide any directive relating to the Treasury and fossil-fuel investments. **However, if we are to consider the extent to which Oregon stays invested in fossil fuels in the future, it is imperative all parties have access to baseline facts in order to have productive, inclusive conversations.**

OPERF funds are originally generated by tax dollars and paid to public employees, and if the return on investment is not high enough, Oregon taxpayers must pay the difference, making HB 4115-1 a concern to all Oregonians. These are assets organized by and for Oregonians and they should be in line with our state's commitments to contribute positively to the climate crisis for the benefit of every Oregonian, including those who are counting on OPERF retirement funds.

Transparency from the Treasury is an initial step toward addressing the many risks of climate change to Oregonians. Please know we are holding you in our prayers during this legislative session.

Sincerely,

Cherice Bock for the Creation Justice Committee
Ecumenical Ministries of Oregon / Oregon Interfaith Power and Light