

Submitter: Valerie Rosenberg

On Behalf
Of:

Committee: House Committee On Emergency Management, General
Government, and Veterans

Measure: HB2601

I am writing in support of House Bill 2601. I am writing as a mother, concerned citizen of the state of Oregon and as a PERS retiree.

This bill is important for the future of our state and the people who live here. Ninety-seven percent of scientists believe that Climate Change is manmade and that the main culprit is the burning of fossil fuel. (Inside Climate News, April 2016). We have seen the effects of climate change in Oregon. Our water supply is decreasing because we no longer have the same snow pack in the mountains. This decrease impacts our forests, our farmland and the livelihoods of thousands of Oregonians. As a state, we have already spent millions of dollars to combat forest fires and we have just begun to see the devastation that drought will have on farmland. Oregon citizens have lost their homes and have been forced to leave communities they have lived in their entire lives because they can't afford to re-build.

One way that Oregon can combat climate change is to divest from fossil fuel investments that currently make up a large percentage of the PERS portfolio. In 2021, the International Energy Agency said that "if governments are serious about the climate crisis, there can be no new investments in oil, gas and coal, from now — from this year."

HB 2601 will not only protect Oregon's future by transparently phasing out fossil fuel investments, it will also safeguard our retirement future. Our current Oregon State Treasury refuses to consider divestment in a safe fashion and instead pursues a business-as-usual framework by allowing for continued fossil fuel investments. The OST has not been transparent with the public about the risks to the investment portfolio. In a report that the OST itself commissioned from Ortec Finance it states:

The longer it takes for coordinated policy action on climate, the more radical and disruptive it is likely to be for markets. The pricing-in of physical risk is likely to come many years or decades ahead of direct impacts. The Failed Transition scenario shows your current portfolio experiences significant impacts from a failed transition by the middle of the 2030's as inevitable future physical damage is priced-in.

There is currently no plan in place. Treasurer Read has suggested that there be a target of "net zero" investments in fossil fuel by 2050, but has not prepared a plan to do so. Therefore, the "Failed Transition" scenario stated above seems to be the direction in which we are headed. This will be catastrophic for the state of Oregon as

well as those dependent on PERS. In addition to not having a detailed plan, the Treasurer has not been transparent with the public. Over one-quarter of the report from Ortec has been redacted and additional material about investments has been redacted. This is a public agency funded by the citizens of the state—transparency is needed.

HB 2601 will bring a plan to protect our state, beginning with no NEW investments in fossil fuels and also requires OST to be transparent with its investments.

Please support HB 2601.

Valerie Rosenberg