

Submitter: Nora Lehmann

On Behalf Of: Families for Climate

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

Measure: HB4083

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Families for Climate is a grassroots, volunteer-powered organization working to mobilize parents, kids and families for climate justice and a livable future for all. Our membership consists of almost one thousand parents, caregivers and teachers across Oregon. Families for Climate strongly supports HB 4083—the COAL Act—because it establishes the goal of moving our state’s investments out of dirty, climate-damaging coal and protecting Oregonians’ retirement money from escalating losses as coal usage is ramped down globally. This bill represents a modest, initial step on the critically necessary pathway to the decarbonization of its investments.

Oregonians are already confronting the dangers of climate change, with rising temperatures, severe weather events, and devastating wildfires. As parents, we are tasked with both explaining the science, history, and frightening consequences of global heating to our children, and also, more painfully, explaining why the grown-ups are not solving the problem with the speed and urgency it demands. It is unconscionable that the Oregon State Treasury has over \$1 billion invested in thermal coal-related stocks, bonds and private investment funds.

The obligation to stop investing in coal could not be clearer, both on moral grounds and simple self-preservation. When your home is burning, the first step is to stop throwing fuel on the fire. HB 4083 is a crucial, basic step to mitigate the accelerating destruction of climate change and protect the well-being of current and future generations.

We understand that the mandate of the Oregon Treasury is to maximize returns for PERS shareholders and retirees. While some fossil fuel investments may be profitable in the short term, in the medium and long term they carry massive and underappreciated financial risks due to the growing consensus on the need to transition to renewable energy sources. As the world transitions away from carbon-intensive fuels, fossil fuel assets will become unburnable and will lose their value, creating a direct risk to pension beneficiaries who rely on the stability and profitability of their investments. By choosing to reinvest away from coal, PERS can protect beneficiaries from the financial uncertainty and potential losses associated with coal becoming a stranded asset.

Furthermore, of all the fossil fuels, coal is already no longer a good investment. Since

California began removing coal from its CalPers portfolio, it has gained an estimated \$598 million in returns. Oregon, on the other hand, has foregone \$340 million in returns, according to an analysis by Divest Oregon.

How can we, as parents, look our children in the eyes and tell them we are working to protect their future, if we allow the Oregon State Treasury to continue to invest in the dirtiest of fossil fuels? It is paramount that we protect the state's residents from the worst impacts of climate change and safeguard pension beneficiaries from the risks of stranded assets. Let us continue Oregon's leadership in environmental stewardship and pass the COAL Act to preserve a safer future for our children and grandchildren.