

Submitter: Brian Ettl
On Behalf Of: MCAT
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB681

Chair Meek and members of the Committee.

I am Brian Ettl. I writing this on behalf of MCAT, Mobilizing for Climate Action Together. We are a grassroots organization that works with legislators, state agencies such as the Oregon Treasury, and policymakers by promoting, testifying and advising to advance legislation to help meet Oregon's climate goals. MCAT is one of over 100 Oregon organizations that are part of the Divest Oregon coalition.

We strongly support SB 681, The Pause Act. We applaud Divest Oregon, Chief Sponsor Senator Jeff Golden, and the sponsors for their work on this bill.

We like that this bill enacts a five-year moratorium on investing state monies in new private equity fossil fuels funds. We believe fossil fuel investments are risky, because damages from climate change could cause them to lose value.

In February 2024, Oregon Treasurer Tobias Read proposed a "Major Action" listed in the net zero plan to achieve a net zero carbon future for the Oregon Public Employees Retirement Fund. Yet, no action was communicated to the public. Thus, we need this bill to codify that plan.

We approve that under this bill, the State Treasurer may not renew or make new investments in private market funds whose managers presently invest (or have stated an intention to invest) 10% or more of their holdings in fossil fuel equities. Covered activities include exploration, mining, shipping, infrastructure maintenance and refinement of fossil fuels.

The Treasurer is required to monitor State holdings to ensure that the funds it invested in comply with this principle. The Treasurer must also provide an annual report to the Legislature on this subject, including actions it took to

1. reduce the systemic risks of remaining fossil fuel holdings and
2. incorporate just transition principles in its decarbonization efforts.

With these bill provisions, we urge you to swiftly pass The Pause Act, SB 681.

Thank you for taking our views into consideration.