

Submitter: Estelle Voeller

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB681

Chair Meek, Vice Chair McLane, and Members of the Committee on Finance and Revenue:

I write in support of SB 681

The overwhelming majority of climate scientists and most of the public understand that climate change is happening now, it's primary cause is the extracting, processing and burning of fossil fuels, and it is imperative that we act as quickly as possible to transition away from fossil fuels. Continuing to invest in the very entities -- fossil fuel companies -- that are worsening the problem is madness.

The PERS fund is heavily invested in private equity, more so than many other public funds. Fossil fuels are already a volatile and unstable asset, and will lose support as they become stranded assets in the future as they are inevitably more expensive to extract. At the same time, renewable alternatives, storage and energy efficiency technologies are becoming less expensive and more desirable. This bill provides a reasonable way to begin to shift the investment strategy. Limiting it to 5 years to start allows flexibility if needed.

According to the Oregon State Treasury's own analysis, private equity investments are a drag on PERS returns, and companies owned by private equity firms are ten times more likely to go bankrupt than companies not controlled by private equity. So limiting PE investments, especially those heavily invested in fossil fuels, supports fiduciary responsibility, and at the same time, the climate goals adopted by the Legislature, and supported by most Oregonians.

Please support SB 681. Thank you for your consideration

Estelle Voeller