

Submitter: Denice Searcy

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB681

NO on SB 681

This bill prohibits the State Treasurer from renewing investments in or making new investments in a private market fund if the managers of the fund have stated an intention to invest in fossil fuels, subject to fiduciary duties. It prevents diversification in markets that will focus on fossil fuels (which is a misnomer because oil and gas renew themselves) in the very near future. The 'Green New Scam' will fizzle out.

I STRONGLY OPPOSE SB 681 as being a ridiculous mandate. If you subject the act to fiduciary duties, which you have too, then when fossil fuel investments exceed non-fossil fuel investments, it is the fiduciary duty to invest in fossil fuels. That is the same as if this bill didn't exist. So the only purpose of this bill is to make a political statement, which is inappropriate for the legislature to do. Regardless of what the return rates are, it isn't fiscally responsible to put any limits on investments. A good fiscal manager will invest before the price goes up, but this bill prevents good investing practices. The Guardian is reporting that the world is in need of fossil fuels, and President Trump's energy policy will boost returns on fossil fuels. For Oregon to handicap the treasury from taking advantage of what the world does is irresponsible. It has nothing to do with Oregon's use of fossil fuels, and missing out on investment opportunities have absolutely no impact on what the world does. It's purely a political statement, which is not fiduciary responsibility.

This is another bad idea that will result in the Oregon taxpayers having to foot the bill. PERS is already in tens of millions of dollars in debt with no solutions in place to fix it. The state says it is great financial shape, but these democrats continue to find ways to try and take our money. Fossil fuels continue to play a vital role in global economies, particularly in emerging markets and developing countries where alternatives are still in their nascent stages. Private market funds that focus on fossil fuels are increasingly evolving to include more environmentally sustainable projects and investments. I repeat the 'Green New Scam' will fizzle out.