

Submitter: Ken Jones  
On Behalf Of:  
Committee: Senate Committee On Finance and Revenue  
Measure, Appointment or Topic: SB681  
To: Chair Senator Meek and Members of the Senate Committee on Finance and Revenue

Thank you for allowing this chance for me to address the issues raised by SB 681 dealing with investment by PERS, a state agency, in private investments, that are not transparent, in fossil fuels or fossil fuel infrastructure. It is hard to believe this is happening already but it certainly should be "paused" at the very least. I would go further and say those investments should be sold as soon as they can be replaced with investments that are more likely to not be stranded assets. From a fiduciary point of view that is the least that should be done to get our state closer to the goal of being net-zero in emissions. We are in an emergency with regard climate and it is appalling that I live in a state that is investing in this way now.

The state has been already been affected by climate change accelerated fires and droughts that make our forests more flammable. I had a terrible time with smoke and still feel I am affected by that despite having worn masks. What the state is doing by investing in these private investments that are hidden from most review leaves room for corruption. Very concerning. What are they and why aren't we hearing about what they are? But, really, the idea that we are investing in a way that takes us farther away from our state's climate goals when there ways to invest that would earn the state more with less risk is more than questionable and I would hope each one of you on the Committee would be looking into it.

If you look at the performance of SPY, the S&P 500 fund that includes fossil fuel investments vs. SPYX which mimics the SPY but substitutes other companies for fossil fuel ones in SPY, you will see that SPYX has actually done slightly better over almost any time period you look, 1,3,5 or 10 years. So why not amend this bill to say rather than giving 5 years to say "at the soonest time possible removing all private and public investments in fossil fuel related companies commensurate with maintaining good fiduciary oversight but no longer than 5 years".

The reason I am expressing urgency is because we are in a Climate Emergency. It should be obvious that it is what is best for all your constituents and the planet.

Please, you must vote this bill out of Committee.

Thank you,

Ken Jones