

March 11, 2015

To: The Environmental Committee, State of Connecticut

From: Amy Miller, 350.org

**Testimony in Support of H.B. 5733,
An Act Requiring the State Treasurer to Divest Funds from Fossil Fuel Companies**

This testimony is submitted in support of H.B. 5733, to end fossil fuel investments by the State of Connecticut. The State of Connecticut must end investments in fossil fuel companies in order to protect the people of Connecticut.

The impacts of fossil fuels are clear: Climate change will disrupt and destroy lives with its rising temperatures, intense storms, and chaotic weather patterns that include both drought and flooding. The increasingly risky processes of fossil fuel extraction, transportation and burning are also an immediate source of pollution threatening our food and water supply. The damage done by the fossil fuel industry raises health care costs, and harms local businesses, transportation infrastructure and the agricultural industry. The injustice of climate change is that globally, as well as in our own cities, it does the most harm to those who have done the least to contribute to carbon emissions.

From a financial standpoint, investing in a dying industry is too great a financial risk when we are counting on state investment returns to meet the basic needs of pension holders and those who rely on government services.

Leadership in the state of Connecticut is calling for an end to the fossil fuel era and a transition to a future powered by wind, solar and other alternative sources of energy. By joining the international fossil fuel divestment movement, Connecticut would play a significant role in speeding up this urgent transition.

Divestment is the fastest growing divestment movement in history. Modeled after tobacco and South African apartheid divestment campaigns, in just a few short years at least 180 institutions have pledged to divest. These include universities, philanthropies, religious organizations, pension funds and local governments.

H.B. 5733 calls for a phase-out of investment in fossil fuel companies over five years. In most cases, divestment is defined as screening out the "Carbon Underground," a list of 200 companies ranked according to their carbon reserves. This list of companies and time frame gives ample opportunity for the State of Connecticut to implement a divestment and reinvestment plan that maintains a responsibly balanced portfolio aligned with interests such as renewable energy infrastructure.

While Connecticut taxpayers are paying to adapt to climate change through disaster preparedness and response, they are also financing climate change through investments in fossil companies with a faulty business plan. Increasingly, the financial studies show that the future outlook for these companies is quite different from the past. With governments taking binding steps to limit emissions, and communities demanding a transition to renewable energy, 80% of current fossil fuel reserves will be made useless. Renewable energy systems are becoming rapidly more affordable, while extracting fossil fuels becomes more costly. Investing in companies with these potentially stranded assets on their balance sheets carries substantial risk both to those investments and to the economy as a whole.

For those seeking to achieve good climate and environmental policies there is a strong political motivation to divest. Fossil fuel companies invest billions of dollars to back politicians and policies that increase dangerous fossil fuel projects and block a transition to renewable energy. Divestment serves to take away the social license of the fossil fuel industry, damaging their reputation, and loosening the grip these corporations hold over our political system.

Governments and institutions that choose to continue as shareholders in the fossil fuel industry prioritize short-term profits for a few. By divesting, the State of Connecticut would stand on the side of the people taking real action against climate change.

Thank you for your consideration of H.B. 5733 and your commitment to the a healthy and sustainable home for the people of Connecticut.

Amy Miller and the 350.org Team

A handwritten signature in cursive script that reads "Amy Miller". The signature is written in black ink and is positioned below the typed name.