

Dear Insurance Committee Chairs Lesser and Scanlon, Vice-Chairs Hartley and Dathan, Ranking Members Kelly and Pavalock-D'Amato, and distinguished members of the Committee,

On behalf of the Sierra Club and my own personal interests, thank you for the opportunity to testify on Senate Bill 345.

SB 345 AN ACT REQUIRING THE INSURANCE COMMISSIONER TO STUDY AND REPORT ON ISSUES CONCERNING CLIMATE CHANGE Sierra Club Connecticut strongly supports Senate Bill 345 and urges its passage. In 2018, two reports, one from the United Nations Intergovernmental Panel on Climate Change and the other, the Fourth National Climate Assessment, underscored the need to 1 2 take urgent action to reduce emissions from fossil fuels to avoid the worst impact of climate change.

The 40 largest U.S. insurers hold over \$450 billion in coal, oil, gas and electric utility stocks and bonds. This backing of fossil fuel companies makes it difficult, if not impossible, to reduce emissions here in Connecticut, the nation and worldwide. Connecticut has been a leader in climate action. Connecticut's Global Warming Solutions Act, adopted to combat climate change, requires a reduction of greenhouse gas emissions to at least 45 percent below the level emitted in 2001 by 2030, and to at least 80 percent below the level emitted in 2001 by 2050. As the home of the insurance industry in the United States, 3 Connecticut is uniquely positioned to continue our leadership on climate action as it relates to the insurance industry. Senate Bill 345 is an important step to address this by reporting on insurance company investments in fossil fuels, their underwriting of fossil fuels, and their analyses of investment portfolio exposure to climate risk, and by exploring the possibility of further reporting including insurance company gross premiums collected on coal and tar sands projects, as well as to file with the state a disclosure report consistent with the most current recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures.

Regards,

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