

I'm here today as a retired Vermont public school teacher. This divestment bill affects me personally.

I believe all of us care about the future. Those of us who choose careers in education make a commitment to the future that we express by showing up in classrooms everyday, by coming in early to offer that bored student an extra challenge beyond the curriculum, by staying up late trying to think of yet another way to reach that student who has given up. We choose to teach, day after day and year after year, because we care about our students and we believe in their future.

However, my faith in the future has been shaken. I'm worried because our collective use of fossil fuels has brought about changes in our climate that literally threaten our survival. Because we have raised our planet's temperature, agriculture is now less reliable, mass migration is increasing, extreme weather events are more severe and more frequent, and people are dying.

I'm not quite hopeless. There are actions we can still take, individually and collectively, to mitigate the devastation. We need to severely reduce now, and eventually eliminate, our use of fossil fuels. This divestment bill is one important step in the right direction and it does give me some hope.

By divesting fossil fuels from our state's pension funds, we will reduce the amount of money available to the fossil fuel industry for the exploration, expansion, and development of further fossil fuel reserves. The passage of this divestment bill will also send an encouraging signal to other states (as well as municipalities and nations around the world) that they too can take similar steps, and thereby the impact of what we do here in Vermont will be multiplied.

VPIC has held out the position that shareholder advocacy is preferable to divestment. I appreciate that VPIC is working toward the goal of getting the fossil fuel industry to make some concessions, but I'm afraid their accomplishments are too little and too late to make significant difference in this climate emergency. Additionally, the fossil fuel industry does not have a very good track record of being trustworthy partners in mitigating climate change. The *VPIC Climate Change Analysis* report presented as a witness document to this committee on February 16th included the news that Exxon Mobil has an “ambition for net zero greenhouse gas emissions by 2050.” When I consider the rate of extreme weather events occurring around the world and the resulting increase in climate migration that has been set in motion, I try to imagine what Vermont will look like in 2050. That's twenty-seven long years from now, and I am not at all reassured by Exxon Mobil's vague “ambition” as they otherwise continue business as usual. Not surprisingly, I don't have much faith in the corporation that knew as early as 1977 that burning fossil fuels contributes to global warming, and yet spent at least three decades sowing disinformation and covering up their knowledge.^{1 2} In short, I can't agree with VPIC that shareholder advocacy would be more effective than divestment.

Because the climate emergency is such a serious threat to our survival, I would be in favor of this bill even IF I believed it would be financially detrimental to my personal pension or to the taxpayers of Vermont. After all, financial security gives me little comfort when I consider that I, and all my descendants, might not be alive to enjoy it.

Conveniently, this bill does NOT pose a risk to either my personal pension or to the taxpayers of Vermont. Clean energy is now cheaper than fossil fuels and more and more segments of society are switching away from them. The fossil fuel industry is dying a slow death, which means it is a bad

1. Shannon Hall, “Exxon Knew about Climate Change almost 40 Years Ago: A new investigation shows the oil company understood the science before it became a public issue and spent millions to promote misinformation,” *Scientific American*, October 26, 2015
2. “ExxonMobil and climate change denial,” *Wikipedia*, February 16, 2023, https://en.wikipedia.org/wiki/ExxonMobil_climate_change_denial

investment in the long term. Even in the short term, financial experts wiser than I are writing reports that show that divestment actually results in better financial returns. For example, in a study requested by New York City's comptroller, two major financial management firms, BlackRock and Meketa, separately concluded that investment funds experienced no negative financial impacts from fossil fuel divestment, and in fact, found evidence of modest improvement in fund returns.³

In short, I am convinced there is no conflict between divestment from fossil fuels and fiduciary responsibility. But for those pension holders and taxpayers who worry that divestment might negatively affect the State's pension investments, this bill provides an additional financial safeguard in that it specifically directs VPIC to divest “in accordance with sound investment criteria and consistent with fiduciary obligations.” Divestment, as directed by this bill, poses no financial risk, and is likely to save Vermonters money.

When VPIC Chair Thomas Golonka testified on February 16th, he was asked by Senator Clarkson if he had directly asked the teachers and VSEA members how they feel about divestment. In Tom's reply, he stated “I have discussed with everyone in regards to this topic.” Well, he hadn't asked me, or he wouldn't have made that claim! Yet he really does seem to imply that the vast majority of educators and state and municipal employees in the state pension systems are opposed to divestment.

Perhaps the perception that so many are opposed to divestment is simply because VPIC and the former State Treasurer have put out a steady drumbeat for years, telling us that divestment would be costly. So it's no surprise that many of my fellow pensioners have been scared into thinking it would harm them financially. A culture has developed in which it is assumed that divestment would be unpopular among us. Last week I approached an acquaintance who is a retired Vermont State Police officer and I asked him if he knew of any other Vermont State Police personnel who might be in favor of divestment. I was saddened to hear his reply. He said he knew several, but he didn't think it would feel safe for them to speak out about it.

Obviously, neither Commissioner Golonka nor I can accurately represent the position of all of us with pensions in the state retirement systems. But I've started asking people I run into who do hold Vermont pensions how they feel about divestment. My unscientific research shows that some of them are relieved that this bill offers another chance at divestment because they've been wanting to see it happen for years, but they had given up due to the intransigence of Beth Pearce and VPIC on this topic. Others hadn't given it much thought before, but they could easily understand the urgent need for us to take this step for the sake of our environment. And when they heard that some research shows that divestment could actually be beneficial financially, and that the bill stipulates divestment with fiduciary responsibility, they had no qualms about supporting it.

In closing, I want to share with you that I saw a photo of one of my former students on Facebook recently. I first met Maria when she was in kindergarten in 1999, and now she's sharing pictures from her first wedding anniversary. She didn't look pregnant in the photo, nor was there any comment mentioning a child. I couldn't help wondering how climate change enters into the family planning of people in her generation. It's sobering to realize that Maria must have to consider whether it's even kind to bring another human being into this world, when it's clear that so much heartache is in store for all of humanity as we collectively continue on the path of making our planet uninhabitable.

³ Tom Sanzillo, “Major investment advisors BlackRock and Meketa provide a fiduciary path through the energy transition,” Institute for Energy Economics and Financial Analysis, March 22, 2021, <https://ieefa.org/resources/major-investment-advisors-blackrock-and-meketa-provide-fiduciary-path-through-energy>

When I receive my pension check each month from the State of Vermont, it comes with the knowledge that part of the money is tainted – sullied by its investment in the very industry that is destroying our only home. Passing this divestment bill will allow me to reconcile my use of this money with the caring I still feel toward Maria and the many other students I taught over all those years. I'd like to think the teaching I did is part of my legacy, but an even more important legacy would be to leave behind a world that is beginning to recover from the climate emergency. Divestment is a step toward that legacy.

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