



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: ABBY SPIELER		PHONE NUMBER: 573-632-6100	
REPRESENTING: MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM.		TITLE:	
ADDRESS: 907 WILDWOOD			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65109
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: ELIZABETH ALTHOFF		PHONE NUMBER: 573-632-6377	
REPRESENTING: MISSOURI LAGERS		TITLE: LOBBYIST	
ADDRESS: 701 WEST MAIN STREET			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: JAMES HARRIS		PHONE NUMBER: 573-761-7875	
REPRESENTING: OPPORTUNITY SOLUTIONS PROJECT		TITLE: LOBBYIST	
ADDRESS: 122 EAST HIGH STREET, SUITE 200			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65102
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: MIKE MOOREFIELD		PHONE NUMBER: 573-638-1084	
BUSINESS/ORGANIZATION NAME: PSRS/PEERS		TITLE: CHIEF COUNSEL	
ADDRESS: P O BOX 268			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: ARNIE C. "HONEST-ABE" DIENOFF-STATE PUBLIC ADVOCATE		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: arniedienoff@yahoo.com	ATTENDANCE: In-Person		SUBMIT DATE: 1/23/2024 11:51 PM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

I am Opposed to this Bill and its intension at this time.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: CAROLYN AMPARAN		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: carolyn.amparan@gmail.com	ATTENDANCE: Written	SUBMIT DATE: 1/23/2024 9:15 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

Environmental, social and governance characteristics of a business influence the long term economic outcomes for the company. Voters of shares should be allowed to consider any interests and characteristics that the shareholders choose to consider. That is their right. I'm opposed to this bill HB 1937 because it limits the flexibility of pension fund managers and increases the overall risk of the funds investments. Our state legislature should not contribute more complexity to their job of achieving good long term results for the pension holders. Environmental risks pose significant financial risk both near term and long term for businesses. Additionally, we should all care about good governance of businesses as it allows markets to operate efficiently. Businesses that manage their social responsibilities well can enjoy lower turnover and greater community good will resulting in lower costs and higher profits. I invest in ESG funds myself and as the recipient of a private pension, I want my pension manager to take into consideration ESG characteristics. The world economy is changing as climate change impacts reverberate around the globe. A person executing their fiduciary responsibility must consider all the risks, not just the short term ones that are traditional "economic" risks. There is more and more movement by shareholders to demand that institutions declare their climate change risks and take action to do something to minimize it. Our system of capitalism works best when shareholders are allowed to exercise their rights and when pension managers are allowed to consider all risk factors that ultimately impact the outcomes of a business. Please do not add unnecessary constraints. Please vote no on HB 1937.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024
COMMITTEE: Pensions		
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
INDIVIDUAL:		
WITNESS NAME: KORTNIE HUDDLESTON		PHONE NUMBER:
BUSINESS/ORGANIZATION NAME:		TITLE:
ADDRESS:		
CITY:		STATE: ZIP:
EMAIL: kortniehuddleston@gmail.com	ATTENDANCE: Written	SUBMIT DATE: 1/23/2024 5:12 PM

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

I urge you to oppose HB 1937 (Owen), modifying provisions related to proxy voting and fiduciary investment duties for certain public employee retirement and pension systems, and any similar bills. I oppose the addition that an investment fiduciary shall not consider environmental, social, and governance characteristics of an investment or be subject to any legislative, regulative, or other mandates to invest with environmental, social, and governance funds. This is a blatant move to prop up oil corporations and others that are harmful to the environment, harmful to society, or otherwise abusive. This is yet another move for regulation capture by the so-called party of small government. It also removes the ability of local governments, organizations, or groups to make rules that they want their investments to go into ESG funds that align with their interests. Please oppose this bill.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: MICHAEL BERG		PHONE NUMBER: 314-644-1011	
REPRESENTING: SIERRA CLUB MISSOURI CHAPTER		TITLE: SIERRA CLUB MISSOURI CHAPTER POLITICAL DIRECTOR	
ADDRESS: PO BOX 432010			
CITY: ST. LOUIS		STATE: MO	ZIP: 63143
EMAIL: Michael.Berg@sierraclub.org	ATTENDANCE: In-Person	SUBMIT DATE: 1/21/2024 11:56 AM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

Chair Hovis and Members of the Missouri House of Representatives Pensions Committee, I submit this testimony on behalf of the over 11,000 Sierra Club members throughout Missouri. The Sierra Club Missouri Chapter opposes House Bill 1937. House Bill 1937 would prohibit investment fiduciaries from considering “environmental, social, or governmental characteristics in a manner that would override his or her fiduciary duty” and exempt them from any legislative, regulatory, or other mandate to A) invest with environmental or social motivations, unless consistent with fiduciary responsibility, or B) divest from any indirect holdings. It would also prohibit shareholder voting based on “environmental, social, political or ideological” criteria and places additional restrictions on proxy voting. The bill is vague about how “environmental, social, political or ideological criteria” may conflict with fiduciary duty and does not define these terms meaningfully, or what is “reasonable.” This leaves interpretation and enforcement of the rule up to the interpretation whims of politicians in charge. If passed this bill could lead to problems as it may narrow the options available to state pension managers trying to most effectively do their job. As stated in the fiscal note: "Officials from the Sheriffs' Retirement System state this proposal may have a negative impact if this legislation passes. The Retirement system hires investment managers to invest its assets based on the investment policy. Setting constraints on investment guidelines has a potential of limiting investment earnings used to finance the retirement system." Also, the Employees Retirement System of the City of St. Louis stated that “By requiring or prohibiting certain considerations which could be viewed by the money managers as in the best interests of the System and its participants or creating economic value, you restrict the money manager’s ability to vote the proxies in a manner that may enhance shareholder value. It is speculative to put a dollar amount on such considerations, but it will cost more to administer such considerations as money managers may be unwilling to accept the risk associated with voting the proxies. This would require the System to hire a proxy voting company and pay additional fees.” While MOSERS does not utilize environmental or social investing criteria currently, managing risks is part of fiduciary responsibility, and that includes companies’ governance, ability to retain talent, and environmental practices. This bill would limit the tools available to manage and protect Missourians’ retirement savings. Missourians would be unable to protect their retirement savings from climate risks. Instead of allowing Missourians to set criteria on climate risk for retirements in the future, the bill further denies the need for climate action. A similar 2022 bill that left committee (Senate Bill 1171 – 2022 Session) was substantially different from the one open to a public hearing, and prohibited the state from holding contracts with institutions that offer ESG products. If this bill were to similarly change, it could cost taxpayers up to \$68 million. Narrowing the options available to those responsible for managing our

funds has negative consequences. House Bill 1937 is one of nine anti-sustainable investing bills filed in the legislature this year. These bills are part of broad nationwide anti-sustainable investing campaign largely been driven and coordinated by the secretly funded State Financial Officers Foundation (SFOF). These public officials, in coordination with conservative think tanks like The Heritage Foundation and the Heartland Institute, are attempting to counter the implementation of a suite of new federal financial regulations related to climate change and other issues in response to investor demand. The vast majority of Americans, including the majority of Republicans, think that climate change is a serious problem and that we need to do more, not less, to deal with this problem. They think there should be more investment in renewable energy than in fossil fuels. That is one reason why bills such as this are not popular with voters, as they put obstacles in the way of free market solutions to problems that voters care about. Please reject House Bill 1937. Please also reject similar efforts that are part of the same campaign. Below is an outline of potential harms from enacting the kinds of anti-sustainable investment measures found in this bill and others with similar aims: Anti-ESG legislation is costing taxpayers hundreds of millions of dollars. In just the first 8 months since the passage of the 'fossil fuel boycott' law in Texas, the state burdened taxpayers with \$303-\$532 million in additional interest on their bonds, as a result of restricting the number of banks that can finance Texas' public debt. • Recent analysis also shows taxpayers in six states (KY, FL, LA, OK, WV, and MO) could have collectively faced more than \$700 million in excess interest payments on municipal bonds, if Texas-like restrictions on sustainable investing were put in place. • The estimated for Missouri taxpayers alone is \$32-\$68 million. • The higher interest rates are the result of less competition between finance firms for municipal bonds, as a result of the anti-sustainable investing legislation that forces state treasurers to boycott major banks and asset managers that historically have bid on the municipal bond issuances. Anti-ESG legislation is exposing retirement beneficiaries to unnecessary risk. Consideration of ESG factors has become mainstream practice in the assessment of risk and return in the investment industry, especially as more data has become available to investors. • These policies only serve to negatively pressure pension fund managers who are already required to fulfill their fiduciary responsibility on behalf of their beneficiaries – a view affirmed by a spokesperson for the Florida State Board of Administration in response to a new anti-ESG regulation. Anti-ESG legislation places burdens on financial institutions and creates market chaos. The restrictions on financial institutions have forced several major banks and / or asset managers to exit jurisdictions or preclude the entity from doing business in that state. • In West Virginia, five institutions were banned from operating in the state including JP Morgan, Wells Fargo, Morgan Stanley and BlackRock. Anti-ESG legislation is delaying the transition to a clean energy economy. Trillions of dollars of investment has flowed into renewable energy, clean transportation, energy and water efficiency, and other sustainable infrastructure as a result of company and investor net-zero commitments and science-based-targets to reduce their greenhouse gas emissions. These private sector actions are critical to ensure a competitive market for clean technologies. What is ESG? Institutional investors and companies have been leading voices for sustainable investing and corporate climate action for decades. They are now facing a growing political backlash at the federal and state levels where legislation has been introduced or passed that takes aim at firms that are making sound business and investment decisions to address climate risk and ensure that corporations and investment portfolios are well managed for the long term. These "anti-ESG" policies are costing taxpayers hundreds of millions of dollars, exposing retirement beneficiaries to unnecessary risk, placing burdens on financial institutions, and creating market chaos. ESG investing is the systematic and explicit inclusion of material environmental, social and governance (ESG) factors and risks into investment analysis and investment decisions. As ESG practices have been integrated into mainstream investing, global ESG assets reached \$35 trillion in 2020 and are expected to exceed \$41 trillion in 2022, or nearly one-third of total assets. Anti-ESG efforts have targeted so-called 'boycotts of fossil fuels' by financial institutions as well as ESG investing more broadly. Some laws have imposed restrictions on their state-run public pension funds, while others have imposed restrictions on firms seeking to win state contracts across a range of activities including asset management of public funds, lenders' participation in municipal bond markets, and even consulting agreements. Investors and companies are trained to consider all risks and opportunities when making decisions; they are fulfilling their fiduciary duties and responsibilities to ensure companies remain sustainability and profitability over the long-term. Climate change, water scarcity, and pollution are systemic financial risks. Companies address risks and opportunities to remain sustainable, profitable, and competitive over the long- term. The momentum surrounding climate action plans and corporate climate transition plans continues to grow, which are necessary tools for achieving climate commitments and aligning portfolios with a sustainable future.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024
COMMITTEE: Pensions		
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
INDIVIDUAL:		
WITNESS NAME: MICHAEL DREYER		PHONE NUMBER:
BUSINESS/ORGANIZATION NAME:		TITLE:
ADDRESS:		
CITY:		STATE: ZIP:
EMAIL: mdreyer93@gmail.com	ATTENDANCE: Written	SUBMIT DATE: 1/23/2024 5:11 PM

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

I urge you to oppose HB 1937 (Owen), modifying provisions related to proxy voting and fiduciary investment duties for certain public employee retirement and pension systems, and any similar bills. I oppose the addition that an investment fiduciary shall not consider environmental, social, and governance characteristics of an investment or be subject to any legislative, regulative, or other mandates to invest with environmental, social, and governance funds. This is a blatant move to prop up oil corporations and others that are harmful to the environment, harmful to society, or otherwise abusive. This is yet another move for regulation capture by the so-called party of small government. It also removes the ability of local governments, organizations, or groups to make rules that they want their investments to go into ESG funds that align with their interests. Please oppose this bill.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: PETER SCHNEEBERGR		PHONE NUMBER: 573-443-4605	
BUSINESS/ORGANIZATION NAME: SIERRA CLUB		TITLE:	
ADDRESS: 605 THILLY AVENUE			
CITY: COLUMBIA		STATE: MO	ZIP: 65203
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1937		DATE: 1/23/2024	
COMMITTEE: Pensions			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input checked="" type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: SCOTT SIMON		PHONE NUMBER: 573-298-6020	
BUSINESS/ORGANIZATION NAME: MODOT & PATROL EMPLOYEES RETIREMENT SYSTEM		TITLE: EXECUTIVE DIRECTOR	
ADDRESS: 1913 WILLIAM STREET			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65109
EMAIL:	ATTENDANCE:	SUBMIT DATE: 1/23/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			