

From: [Donna Albert](#)
To: [Office State Actuary, WA](#)
Subject: Written comment to 20may meeting of Joint Select Committee on Pension Policy - CORRECTION
Date: Wednesday, May 14, 2025 1:14:38 PM
Attachments: [DivestWA TAWA WSIB Coal 14may2025R.pdf](#)

CAUTION:External email.

Hello, I uploaded a pdf yesterday as a written comment for the May 20 meeting of the Joint Select Committee on Pension Policy, with the file name DivestWA TAWA WSIB Coal 13may2025.

If it is possible, please replace that document with the attached pdf with the file name updated to 14may2025R.

Thank you. If you need to reach me, my cell phone is 360-280-9413. -- Donna Albert

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TO: Joint Select Committee on Pension Policy
FROM: Divest Washington
DATE: May 14, 2025

The members of Divest Washington are beneficiaries of State of Washington pension funds and other Washingtonians affected by climate change and pollution. Fossil fuels are destroying our future. Our state government should not invest in companies that cause us financial and physical harm. For this reason, we have requested that the Washington State Investment Board (WSIB) divest from its fossil fuel holdings. Thermal coal is a fossil fuel which all reasonable people agree is dangerous to public health and the global climate.

During the 2025 legislative session, Divest Washington, Third Act Washington, and other groups supported legislation that would require WSIB to divest from thermal coal as defined by the Urgewald [Global Coal Exit List](#). Attached is a fact sheet regarding that 2025 bill, which remains active for the 2026 legislative session.

Please note the following:

- WSIB is not transparent regarding harmful coal investments.
 - WSIB provides only the name of each holding and a fund percentage, in a list of thousands of holdings on their public website.
 - Coal holdings are not identified, and emissions data are not provided.
- The criteria WSIB uses to identify coal investments fail to recognize coal investments which produce large greenhouse gas emissions.
 - WSIB criteria identified about \$114M in their portfolio as coal in 2022, which is only about 5% of the \$2.6B identified by the Urgewald Coal Exit List in 2022.
 - WSIB criteria miss coal-fired utilities.
 - WSIB criteria miss large amounts of coal in diversified companies.
 - We were unable to detect a significant decrease in WSIB thermal coal between 2022 and 2024.

The Urgewald Global Coal Exit List has been used by over 600 institutions world-wide for the purpose of identifying and removing coal from their holdings. Because it identifies 90% of global thermal coal, the Global Coal Exit List can be used to effectively remove the majority of thermal coal from the pension fund.

We request a meeting with members of the Joint Select Committee on Pension Policy who are interested in engaging in a conversation about these concerns. Thank you for your consideration.

Sincerely,

Kristin Edmark, Barb Carey, Donna Albert
Divest Washington

Mary Lou Dickerson
Third Act Washington

ATTACHMENT

Fact Sheet: Washington Coal Act, SB 5439

Sponsored by Washington State Senator Noel Frame at noel.frame@leg.wa.gov

1. The Washington Coal Act directs the Washington State Investment Board (WSIB) to stop investing in coal. Coal is a public health disaster. No matter where on earth coal is burned, it makes climate-driven fires and floods worse for all Washingtonians.

2. WSIB oversees about \$200 Billion in state Treasury funds. It is the sixth largest public pension fund in the U.S.

3. \$2.6 Billion of WSIB's portfolio was invested in coal in 2022 (about 1.3% of their \$200 Billion fund) — but WSIB claimed their coal investments totaled only \$114 Million in 2022.

4. Other West Coast pension funds profited from phasing out coal:

- **California gained an estimated \$598 Million** as of 2022, after removing coal from its CalPERS portfolio in 2015.
 - **Oregon lost \$340 Million** over 10 years due to their coal investments, according to an analysis by Divest Oregon. The Oregon State Legislature passed a law in 2024 directing the Oregon pension fund to phase out its coal holdings.
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5. The State of Washington is a climate leader.

- All Washington State electric utilities will stop burning coal to generate electricity by 2025 as stipulated in the 2019 Clean Energy Transformation Act (CETA).
 - The last remaining coal plant in Washington State closes by the end of 2025.
 - **Why is WSIB, a Washington State agency, still investing in coal?**
-

Supported by organizations and pension fund beneficiaries across the state:

- | | |
|---|--|
| • <i>Divest Washington</i> | • <i>UW Institutional Climate Action</i> |
| • <i>Third Act Washington</i> | • <i>Lower Columbia Stewardship Committee</i> |
| • <i>PSARA, Puget Sound Advocates for Retirement Action</i> | • <i>Cascadia Climate Action Now</i> |
| • <i>350 Seattle</i> | • <i>Olympia Green Faith</i> |
| • <i>350 Wenatchee</i> | • <i>Olympia Unitarian Universalist Congregation</i> |
| • <i>350 Yakima</i> | • <i>Washington Conservation Action</i> |
| • <i>Sierra Club Washington</i> | |
| • <i>Physicians for Social Responsibility</i> | |
| • <i>Stop the Money Pipeline</i> | |
| • <i>Climate Safe Pension Network</i> | |

Pension Board statements hide coal investments

UNDERSTATING COAL INVESTMENTS

*WSIB claimed their coal investments totaled **\$114 Million** in 2022 (2023 Sustainability report).*

OUR RESPONSE: WSIB has identified only a small fraction of their coal investments. According to the **Global Coal Exit List**, WSIB had **\$2.6 Billion** invested in coal in 2022. The internationally recognized Coal Exit List is used by large investors to exclude coal companies from their portfolios. **The Coal Exit List identifies 90% of global thermal coal.**

TRANSPARENCY AND ACCOUNTABILITY

*WSIB's Climate Blueprint allows them to invest in **NTPC, a company in India with large coal holdings and renewables.***

OUR RESPONSE: In terms of coal burning capacity, **NTPC is equivalent to 92 Centralia TransAlta coal plants (2024).** NTPC is currently **expanding** its coal burning capacity by about 11 Centralia TransAlta coal plants. No matter how much renewable energy NTPC buys, they are still burning **huge and increasing amounts of coal.**

NTPC is only one of the Global Coal Exit List companies WSIB is invested in. Some of the world's largest coal players are **diversified companies where coal is hidden in a relatively small percentage of their revenue**, but this doesn't make that coal any less harmful.

By using the Global Coal Exit List, the WSIB would enable legislators and beneficiaries to see the coal in their holdings, and track their progress in removing it.

ENGAGEMENT VS DIVESTMENT

WSIB: Engagement (such as proxy voting) is more effective than divestment from fossil fuels or coal.

OUR RESPONSE: [WSIB was rated D+ and F for their climate proxy voting](#), by Sierra Club/STAND.Earth.

"...engagement is likely to assist Big Oil and Big Coal in postponing the day when governments limit the burning of fossil fuels."

— former SEC Commissioner Bevis Longstreth

FIDUCIARY DUTY

WSIB: Excluding fossil fuel or coal investments would deprive the WSIB of opportunities to diversify the portfolio and to maximize returns which is our fiduciary duty.

OUR RESPONSE: This bill does not conflict with the WSIB's fiduciary duty. The WSIB's estimated \$2.6 Billion in coal make up only about **1.3%** of the **\$200 Billion** fund. **The experience of other West Coast pension funds suggests there are better investment opportunities than coal.**