RE: Divestment from Fossil Fuels

Aloha. I'm writing regarding the consideration of the University of Hawai‘i Endowment divesting from investments linked to fossil fuel companies.

As the Chair of the Senate Energy and Environment Committee and a member of the Senate Higher Education Committee, I welcome this important discussion. During my time in the Legislature, I have been committed to getting our state to kick its addiction to fossil fuels and ramp up our use of local clean energy resources. This is by far the most sustainable path in confronting climate change and protecting our precious environment.

I commend the University of Hawai‘i System for the efforts being made to adopt greener construction design, employing energy efficiency measures, using clean energy resources, and setting sustainability policies. This bodes well for the University System's position as the capstone of higher learning in our state and as a respected world leader in scholarship and research.

The 2014 Endowment report states that the University endowment is at $261.5 million and 12% of those funds are linked to "real assets", which include fossil fuel companies. I note that the EnCap Energy Fund specifically has oil and gas holdings.

Given the importance of the endowment in the continued financial health of our University System, it's imperative that the Board of Regents consider all the potential ramifications of divesting from fossil fuels. At the same time, it's also a good decision to heavily weigh the input of the UH Mānoa Graduate Student Organization's resolution on this topic which makes very convincing arguments.

Mahalo for considering this testimony in your deliberations.