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## **Calpers Weighs a \$53-Billion Increase in Climate Investments.**

- **Fund seeks to balance returns with harder line on polluters**
- **Lawmakers have been debating cuts to oil and gas holdings**

The largest US pension fund is considering a \$53 billion increase in its climate-related investments by 2030 along with new guidelines for exiting or reducing its holdings in polluters.

The climate push would roughly double the fund's exposure to areas such as wind, solar and carbon capture, bringing the total to \$100 billion, according to a policy proposal published Friday by the California Public Employees' Retirement System. The divestment rules would be aimed at assets that pose a fiduciary risk because they "fail to present a credible net zero plan" for emissions.

The \$444 billion fund is weighing the changes as California's Democratic supermajority seeks to balance calls for a hard line on major carbon emitters with concerns that poorly timed divestments could threaten returns. While legislation to force Calpers and the California State Teachers Retirement System to divest an estimated \$15.1 billion was paused earlier this year after fierce opposition from the funds, the bill is expected to be taken up again soon.

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### **Bloomberg Markets**

By Eliyahu Kamisher

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