



HOUSE OF REPRESENTATIVES

Chair Edwards
Vice-Chair Olsen
Senator Dembrow
Senator Prozanski
Senator Thomsen

Dear Chair Edwards and Members of the Committee,

My name is Ken Helm and I am the Representative for House District 34. Everyone agrees that we need to take action to reduce carbon emissions and combat climate change. Unfortunately, the long-term goal of protecting our environment is usually superseded by the more immediate concerns of facilitating economic growth and keeping electricity affordable for all Oregonians. I support SB 965 because it has the potential to eliminate the need to compromise between Oregon's economic and environmental interests.

SB 965 would reduce Oregon's carbon footprint to 85% below 1990 levels by 2050, and this can be accomplished without creating undue economic hardship for lower-income Oregonians. By allowing the state to auction pollution permits and keeping all the revenue in a public trust separate from general appropriations, we can ensure that all but the richest third of Oregonians will receive dividend payments that exceed any increase in energy prices they will face as a consequence of the new permitting requirements.

Carbon pricing advocates often point to California's cap-and-trade as a success, which is true. The problem is that money supposedly targeted to low-income people and communities of color has been raided for other state programs that are in need of funding -- not protecting lower income households from the burden of increased energy costs. If every Californian were receiving a dividend, those with the least political capital would be ensured a financial return.

A dividend provides a self-sustaining motor by encouraging conservation, rewarding innovation, and stimulating a holistic energy transition. Economic modeling by NERC found that cap and dividend would not only reduce emissions, but would also have a negligible impact on our state's economy. This means we have nothing to lose in trying cap and dividend, but we have everything to lose if we do not implement strong climate policy.

Sincerely,

Representative Kenneth D. Helm

