

Broad Oregon coalition endorses 2024 COAL Act (HB 4083) to phase out state's coal investments

Introduced by Rep. Khanh Pham (D-SE Portland), the Clean Oregon Assets Legislation Act (COAL Act) will phase out the state's public investments in coal companies, estimated at one billion dollars.

Salem, OR -- Public sector unions, faith communities, and environmental groups are urging Oregon lawmakers to pass HB 4083, the Clean Oregon Asset Legislation Act (COAL Act) developed through regular, positive engagement with the Oregon State Treasury. The COAL Act will transition Oregon off the state's coal investments, stop new coal investments, and require regular reporting from the Oregon State Treasury on these initiatives. There are seven chief bill sponsors joining Representative Khanh Pham (D-SE Portland), Representative Mark Gamba (D-Milwaukie), and Senator Jeff Golden (D-Ashland) in working to pass the bill this winter. The COAL Act is endorsed by Divest Oregon, a coalition representing 100 organizations including unions with tens of thousands PERS members, racial and climate justice groups, youth leaders, and faith communities.

"The climate emergency is here now, and that's why Oregon has already committed to move away from coal and source 100% clean energy by 2040. The COAL Act will begin to align our public investments with our existing climate commitments by moving nearly one billion dollars of Oregon State Treasury funds out of coal company stocks," said Representative Khanh Pham, chief sponsor of the bill. "We owe it to every Oregonian to steward your public funds and pensions wisely, and with an eye towards long-term returns. With hundreds of billions of dollars of public and private investment pumping into clean energy under the Inflation Reduction Act, and the grave risks that coal pollution poses for our climate, there is simply no future upside in coal energy. The COAL Act will ensure that Oregonians' financial futures are protected from short-sighted investments in the dirtiest fossil fuel."

The COAL Act is co-chief sponsored by a broad coalition of lawmakers in both chambers: Representatives Khanh Pham (D-SE Portland), Mark Gamba (D-Milwaukie), Rob Nosse (D-NE & SE Portland), Hoa Nguyen (D-E Portland), Tom Andersen (D-Salem), Thuy Tran (D-NE & SE Portland), and Maxine Dexter (D-NW Portland), with Senators Jeff Golden (D-Ashland), Winsvey Campos (D-Aloha), Chris Gorsek (D-Gresham), and Michael Dembrow (D-NE & SE Portland). Regular co-sponsors include: Senators Kayse Jama (D-E Portland), Deb Patterson (D-Salem), and Janeen Sollman (D-Hillsboro), with Representatives Julie Fahey (D-W Eugene), Farrah Chaichi (D-Aloha), Paul Holvey (D-Eugene), Nathan Sosa (D-Hillsboro), Lisa Reynolds (D-NE Washington County), and Pam Marsh (D-So Jackson County).

The COAL Act would not be the first bill to respond to a coal energy sector in [decline](#). In 2015, California mandated a coal investment exit with [Senate Bill 185](#), saving the California Public Employees Retirement System (CalPERS) [an estimated \\$598 million](#). The Oregon State Treasury, which manages the Public Employee Retiree System

(PERS) fund (the nation's 12th largest), invests over [one billion dollars](#) in the coal sector (as of June 30, 2022). According to modeling analysis by Divest Oregon, the Oregon State Treasury's public equity coal holdings underperformed the market by [\\$340 million since 2014](#) when compared to the S&P 500 Fossil-Fuel Free Index.

Retired PERS member, educator, veteran, and West Salem resident John Skelton was among roughly 100 Oregonians who met with their legislators on January 10 to support the COAL Act. "Oregon divesting from its billion-dollar coal investment is good for the prosperity of Oregon, the security of our retirement funds, and the world we leave to our grandchildren," he said. "If my investment counselor recommended investing in coal, I'd find a new advisor."

The COAL Act would also not be the first bill of its kind in Oregon. The 2024 COAL Act was drafted using aspirational language, as requested by Oregon Treasurer Tobias Read, modeled on the 2005 [Oregon Human Rights and Anti-Genocide Act](#) (Senate Bill 1089) which set guidelines for divestiture from companies doing business in Sudan. The COAL Act also aligns with Oregon's commitment to phasing out of coal as a power source starting in 2016 (the state's final coal-power plant in Boardman was shuttered in 2020).

"The COAL Act gives the Treasury latitude to choose how to best implement the goal of this coal exit and we look to the Treasury's professional staff to identify and shift funds to the many alternatives that perform as well or better," said Jenifer Schramm of Divest Oregon. "The costs of not passing this bill are real: coal is a dying industry with diminishing returns and a toxic legacy. The COAL Act aligns with precedent in California, existing policy in Oregon, and best practice globally. With the COAL Act, we can save money and take a small step toward justice, especially for frontline communities and communities of color that have borne the brunt of coal-fired power plants."

When coal is burned it releases a number of carcinogenic [toxins and pollutants](#). It is the dirtiest way to produce electricity and the global coal phase out must be given [policy prioritization](#), according to the United Nations.

"This COAL Act will help Oregonians move towards a clean energy transition, and it is aligned with the Oregon State Treasury's fiduciary duty to maximize the value of its funds under management for its beneficiaries," said Ariana Jacob, President of AFT-Oregon, a union representing 18,000 education workers in Oregon. "As teachers we have a responsibility to make sure our students inherit a safe and healthy environment so that they can thrive. Moreover, as public servants, our future health and security is directly tied to the long-term performance of PERS. Given the clear warning signs from the market and the even clearer warning signs about the world our children are inheriting, there is simply too much risk to continue to invest in coal."

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