

# House Bill 3765

Sponsored by Representative CHAICHI, Senator MANNING JR; Senators GOLDEN, PHAM K

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells the State Treasurer and OIC to take steps to use ESG factors in investment decisions. (Flesch Readability Score: 71.0).

Requires the State Treasurer and Oregon Investment Council to implement a system to perform ESG analyses of current and proposed investments, assign personnel to oversee the system and issue an annual report on actions taken pursuant to the system.

Prohibits investments in entities that are determined by an international body to have violated international law.

## A BILL FOR AN ACT

Relating to investments.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. (1) The Oregon Investment Council and the State Treasurer, in the State Treasurer's role as investment officer for the council, shall:**

**(a) As soon as practicable, implement a system to perform environmental, social and governance analyses of current and proposed investments;**

**(b) Assign personnel to oversee the system described in paragraph (a) of this subsection; and**

**(c) At least once per year, issue a publicly available report describing actions taken pursuant to the system described in paragraph (a) of this subsection.**

**(2) The Oregon Investment Council and the State Treasurer, in the State Treasurer's role as investment officer for the council, may not make investments in public or private equity or debt, bonds or currency issued by entities that are determined by an international body to have violated international law.**

**(3) As used in this section:**

**(a) "Environmental, social and governance analysis" means a consideration of risks posed by:**

**(A) The environmental impacts of an entity's activities;**

**(B) The social impacts of an entity's activities; and**

**(C) The structure, processes and actions of an entity's management.**

**(b) "International body" means the United Nations Security Council, the Office of the United Nations High Commissioner for Human Rights, the United Nations General Assembly, the United Nations Human Rights Council, the International Court of Justice or the International Criminal Court.**

**(c) "International law" includes, without limitation, the Universal Declaration of Human Rights, the Fourth Geneva Convention, the Additional Protocol I to the Geneva Conventions, the International Covenant on Economic, Social and Cultural Rights, the International**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **Covenant on Civil and Political Rights, the Genocide Convention, rulings of the International**  
2 **Court of Justice, rulings of the International Criminal Court, the Hague Convention (IV)**  
3 **Respecting the Laws and Customs of War on Land and its annex, the Guiding Principles on**  
4 **Business and Human Rights endorsed by the United Nations Human Rights Council and**  
5 **customary international law.**

6 (d) “Investment” means the commitment of funds or other assets to an entity for an  
7 interest in the entity, the ownership or control of a share or interest in an entity or the  
8 ownership or control of a bond or other debt instrument issued by an entity.  
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