

Testimony in Support of House Bill 2081-A

Submitted by Build America Policy Council to the Oregon State Senate Committee on Finance and Revenue on May 19, 2025

Chair Mark Meek, Vice Chair Mike McLain, and Members of the Committee:

Build America Policy Council is a network of state level government experts committed to advancing policies on clean energy, climate change and responsible investing to strengthen our economy, and secure a prosperous future for Oregonians and all Americans.

We believe that Oregon now stands at the forefront of responsible investing, with its commitment to prioritizing the security of retirement funds for public employees and protecting state investments from avoidable risks. That's why we're writing in support of House Bill 2081-A, a bill recently passed by the House of Representatives that ensures a fiscally responsible approach to investment that will benefit Oregonians for generations to come.

We are grateful for State Treasurer Steiner's leadership on this issue and applaud your colleagues in the Oregon House of Representatives for their work to advance House Bill 2081-A. We strongly urge the Senate to follow suit by passing this legislation. This bill will help secure Oregon's long-term financial future while setting an example of responsible stewardship of public resources for states across the country.

Protecting Retirement Security and Oregon's Future

Fundamentally, House Bill 2081-A is about financial security and risk management. By directing state investment officials to consider climate-related financial risks, this legislation helps safeguard the retirement savings of Oregon's teachers, firefighters, police officers, and other dedicated public servants. These hardworking Oregonians deserve to know their pensions are being managed with proper consideration of all material risks.

The financial impacts of climate change are already being felt across investment portfolios, not only in Oregon but worldwide. Major financial institutions, including BlackRock, Vanguard, and State Street, now recognize climate risk as investment risk. By proactively addressing these concerns, Oregon will position itself as a leader in prudent fiscal management.

Smart Use of Taxpayer Dollars

This legislation also delivers meaningful economic benefits for all Oregonians. Most importantly, HB 2081-A preserves investment freedom while also establishing a framework for addressing known financial risks. The bill does not mandate divestment or prohibit investment options;

rather, it ensures climate-related risks are properly evaluated alongside other material considerations.

It also helps Oregon avoid costly risks that could harm families and state funds, including climate-related disasters like wildfires, drought, and flooding, which have already begun impacting Oregon's communities and economy. By considering these factors in investment decisions, the state can better protect its financial interests and safeguard the state, as well as Oregon families from unnecessary losses.

Maintaining Oregon's Competitive Edge

Many companies headquartered or operating in Oregon already incorporate responsible investing factors to remain competitive globally and attract investment capital. This legislation aligns state investment practices with evolving market standards, positioning Oregon at the forefront of responsible investing.

The transition to sustainable technologies is also creating new, high-paying jobs in renewable energy, water conservation, and other future-focused industries critical to Oregon's growth. By acknowledging these market shifts in its investment approach, Oregon can better capitalize on emerging economic opportunities while showcasing the benefits of responsible investing for our neighbors across the United States.

Conclusion

We thank you for the opportunity to submit testimony in strong support of House Bill 2081-A.

Passing this legislation, which directs the state to take meaningful actions to reduce the carbon intensity of state investments and address investment risks related to climate change, is in the best interest of all Oregon residents.

We urge the Senate to swiftly send this bill to Governor Tina Kotek's desk to be signed into law.

Respectfully submitted,

Carianne Lee, Executive Director
Build America Policy Council