

February 21, 2018

House Committee on Rules
Oregon State Capitol
900 NE Court Street, Room 347
Salem, Oregon 97301

RE: HB 4001 – SUPPORT

Dear Chair Williamson and Committee Members:

I am writing on behalf of the Union of Concerned Scientists (UCS) in support of House Bill 4001, a measure that would establish a cap-and-invest program to reduce global warming pollution in Oregon and invest in Oregon's clean energy economy.

While Oregon has taken considerable steps to reign in global warming pollution from electricity production and cars and trucks, the state is not yet on track to meet its pollution reduction goals. We believe a cap-and-invest program is the right tool to get Oregon on track:

- **HB 4001 would provide greater assurance that Oregon will meet its targets for reducing global warming emissions statewide** because the central design feature of a cap-and-invest program is a limited pool of pollution permits (i.e., the “cap”), which shrinks each year to ensure that emissions are staying in line with emission reduction targets.
- A cap-and-invest policy generates significant proceeds from the sale of pollution permits. **These proceeds will empower the legislature to invest significantly in Oregon's clean energy economy**—making renewable energy more affordable, improving the energy efficiency of homes and other buildings, increasing transportation options, and expanding clean energy job training programs.
- Oregon is already experiencing the impacts of climate change, from higher temperatures to a warmer and more acidic ocean, from increased wildfire activity to reduced snowpack. **A cap-and-invest program will help ensure that the costs of climate change are better reflected in the decisions businesses make about what to produce and how to produce it.**

The work that legislators and stakeholders put in last year and during the work groups this Fall has paid off. While there are details that need to be resolved with stakeholders, based on UCS's work across the country on cap-and-invest proposals, we can confidently say that HB 4001 is a very well-written and thoughtfully constructed bill.

Because no state or nation can solve climate change on its own, fully addressing climate change requires collective action across the world. Fortunately, every nation other than the

United States has committed to the goals of the Paris Climate Agreement. Therefore, it is up to the Legislature whether Oregon will be a leader in solving this momentous challenge. We hope you seize the unique opportunity you have in 2018 to pass a cap-and-invest program into law.

Sincerely,


WESTERN STATES POLICY MANAGER