

July 7, 2025

Governor Tina Kotek
State of Oregon
900 Court Street, Suite 254
Salem, OR 97301-4047

Governor Kotek:

As we discussed several weeks ago, and in May 2024, it would be in the best interest of Oregonians and Oregon's businesses to establish a functioning cap-and-trade program in lieu of the administratively adopted Climate Protection Program (CPP).

Doing so will provide a more realistic path to reducing greenhouse gas emissions through a market-based carbon pricing program while also establishing a functional and viable program more in line with what other states and regions have done. In turn, this allows potential linkage with larger carbon markets, which would help keep costs reasonable and ameliorate the possibility of economic leakage to neighboring states.

It will also ensure that any funds raised through such a program are invested in accordance with state law and priorities established by state lawmakers. These could include, but are not limited to, wildfire mitigation and suppression; transportation investments, including electric vehicle and truck charging; revolving loan funds or grant programs to help homes and businesses upgrade equipment; etc.

The current CPP is a national outlier that will result in dramatic price increases for Oregon's households and businesses, both small and large). Moreover, the current CPP has no mechanism for verifiable emissions reductions and revenue raised through the program is not necessarily going to be spent on priorities established by you or the Legislature.

We understand the complexity and enormity of the task, but we believe this can be done—and done in time for the 2026 session. Getting this done requires leadership, a focused goal and the setting of a diverse, yet focused, table where stakeholders are engaged and truly partners in a solution.

We reiterate our request that you set that table. OBI and its members continue to stand ready to help get this work done.

Sincerely,



Angela Wilhelms
President & CEO

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Vince Porter, Deputy Chief of Staff, Office of Governor Tina Kotek
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