



Date: March 3, 2021

To: Senate Committee on Energy and Environment

RE: Opposition to Senate Bill 581

Chair Beyer and members of the committee,

Thank you for the opportunity to provide testimony on SB 581. The Oregon Liability Reform Coalition represents more than 30 businesses and associations that share the goal of protecting businesses from the expansion of lawsuits. While we have no position on the environmental policy, we have serious concerns with the liability provisions included in the bill.

As drafted, SB 581 allows enforcement through a Private Right of Action (PRA), giving private citizens the ability to pursue legal action for any violation outlined in the bill. ORLRC is strongly opposed to the inclusion of a PRA as it will undermine the existing appropriate agency enforcement, result in unnecessary and costly litigation, and will clog our already backlogged court system.

Oregon agencies have a demonstrated history of appropriately enforcing regulations in our state. Each agency has a team of experts that are able to guide the enforcement process and understand the complexities of encouraging compliance and innovation while preventing and remediating harms. Education and enforcement should be prioritized instead of encouraging lawsuits that circumvent the agency enforcement process.

Additionally, private rights of action can result in large payouts to plaintiffs' lawyers, while consumers often receive insignificant financial benefit. The opportunity for a large winning incentivizes attorneys to pursue lawsuits, often for very minor and/or accidental violations. Unfortunately, many companies acting in good faith to comply with regulations will feel pressure to avoid the uncertainty of high-stakes litigation and will elect instead to settle suits in an effort to avoid costly legal expenses.

Finally, we have concerns about expanding private rights of action because of the impact increased litigation may have on our court system. This bill will potentially open the door to a significant number of additional lawsuits, clogging our courts at a time when our justice system is already backlogged due to COVID-19 restrictions. We cannot waste valuable court time on these lawsuits when our agencies already have an effective enforcement system available.

For these reasons, we ask that you pause on moving forward SB 581 with the private right of action included in the legislation.

Thank you for your consideration,

Montana Lewellen  
Oregon Liability Reform Coalition