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To: Chair Marsh and Members of the House Committee on Energy and Environment
From: Paloma Sparks, Oregon Business and Industry
RE: OBI Testimony in Opposition to HB 2955

Chair and Members of the Committee:

Thank you for the opportunity to testify today regarding House Bill 2955. Oregon Business and industry is Oregon's largest and most comprehensive business association representing approximately 1,600 businesses that employ over 250,000 people. OBI is also the state retail council, representing over 200 retailers ranging from very small local stores and national retailers.

We are concerned about HB 2955 because it requires retailers to label and create systems for products that they generally do not have control over until they arrive at their stores. Most household products sold in our state are distributed through national supply chains. Oregon retailers would likely be forced to limit product diversity available to customers if this bill were to pass.

The penalty provisions in the bill are also concerning since manufacturers may simply opt-out of the Oregon market if faced with the prospect of \$25,000 per day penalties. This is particularly alarming since it is unclear how timely the agency will be in notifications and communication with manufacturers. Customers may well lose out on having access to products in Oregon stores and Oregon retailers will lose income.

Under the language of the bill, retailers could also be subject to very high penalties if they add up. Retailers, like so many small businesses, have narrow margins. Daily penalties could really impact a small retailer. It could also act as a deterrent for individuals to risk starting new businesses.

Thank you for your consideration.