

January 25, 2023

| To: | Chair Marsh and Members of the House Committee on Climate, Energy, and Environment |
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| From: | Derek Sangston, Oregon Business & Industry |
| Re: | Oregon Business and Industry's Opposition to HB 3043 |
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Chair Marsh and Members of the Committee:

Thank you for the opportunity to testify in opposition to HB 3043 on behalf of Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI has represented our manufacturing and retail members throughout the adoption of the Toxic-Free Kids Act (TFKA) and associated rulemaking proceedings. We are committed to engaging in a meaningful process to ensure children's products are safe according to reliable scientific evidence and we will continue to work with the Oregon Health Authority to develop the rules for Oregon under the current law.

HB 3043 would significantly expand and complicate the current law. It would broaden the scope of products covered under the law to a potentially unknowable degree while also increasing reporting obligations – even though the TFKA has not been fully implemented. Until the TFKA is fully implemented, it is very difficult to see how manufacturers could effectively manage the changes introduced by HB 3043.

Manufacturers already perform rigorous safety assessments to ensure that all products sold are safe and comply with industry safety standards as well as federal laws. In addition, current Oregon law requires the agency to create a list of high priority chemicals of concern in children's products. It has also required manufacturers to report the presence of high priority chemicals in their products since 2018 and remove or substitute any chemicals they report from certain classes of products.

HB 3043 would make Oregon's law less consistent with other states in two ways. First, it would add to the list of the high priority chemicals any "classes of chemicals" that are related or similar based on specified characteristics, even if chemicals that fall under that broad definition are deemed to be safe.¹ Second, it will broaden the definition of what is "mouthable" to include products that "may be brought into the mouth" or are "smaller than five centimeters in one dimension."² This is an extraordinarily expansive view of covered products. These requirements do not exist elsewhere, and if passed, they will make compliance in Oregon alone a significant burden.

Consistency among states and under federal law is crucial for retailers and our partners because supply chains are national, not local. OBI urges you to reject HB 3043 and allow time to properly complete the rulemaking for and full implementation of this complicated program. Thank you for your time and consideration.

Contact: Derek Sangston, OBI, dereksangston@oregonbusinessindustry.com

¹ HB 3043 (2023), Section 1(4)

² HB 3043 (2023), Section 1(9)(a-b)