



February 28, 2023

TO: Members of the Senate Committee on Energy and Environment

FR: Derek Sangston, Oregon Business & Industry

RE: Opposition to SB 546

Chair Sollman, Vice-Chair Findley, members of the Senate Committee on Energy and Environment. For the record, I'm Derek Sangston, policy director and counsel for 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.

Thank you for the opportunity to testify in opposition to SB 546.

The supply chains upon which manufacturers and retailers rely are national, not local. As a result, consistency with the federal government and among the states is crucial when it comes to legislation that impacts them. OBI opposes SB 546 as drafted because it interferes with, or at least distracts from, Congress' recent work to regulate the cosmetic industry and it does not align with other recently passed state laws on this issue.

Through the Modernization of Cosmetic Regulation Act, which was recently signed on December 29, 2022, Congress made significant regulatory reforms impacting the cosmetics industry. Under it, the Food and Drug Administration (FDA) should have the tools it needs to ensure the safety of cosmetic products. For example, the FDA will now have the power to suspend the registration of a cosmetic facility when it determines that a product manufactured or processed by the facility was likely the cause of serious health consequences or death, and other products produced by the facility might be similarly affected. OBI requests this committee pause on any further state action until implementation of this provision and the rest of this new law is completed early next year.

SB 546 would additionally regulate the cosmetics industry more harshly in Oregon than in other states. Specifically, the bill's provisions are much stricter than a similar law passed in California. SB 546 would enact definitions that do not align with California's current law; include chemicals, like ortho-phthalates, without conclusive scientific evidence for doing so; and ban formaldehyde releasing agents, which are generally safe and important for preserving cosmetic products. If passed, the drastic misalignment between SB 546 and the laws in other states would have

significant negative impacts on Oregon's manufacturing and retail businesses, and,04 ultimately, consumers.

Manufacturers already perform rigorous safety assessments to ensure that all products they sell are safe and comply with industry safety standards. Those standards along with significant developments in federal law will help reinforce consumer confidence in cosmetic products.

For those reasons, OBI opposes SB 546 and respectfully requests this committee to reject it. Thank you for your consideration.

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