



NEILSON RESEARCH CORPORATION

Environmental Testing Laboratory

March 17, 2023

In Opposition of House Bill 3207

I am writing in opposition of HB 3207. I am co-owner and vice president of Neilson Research Corporation, the largest ORELAP accredited environmental laboratory in the State of Oregon.

HB 3207 would breach our confidentiality agreement with clients and open us up to potential lawsuits.

ORELAP accredited laboratories must adhere to very strict client confidentiality guidelines. These guidelines prohibit us from releasing test results to anyone other than our clients without their authorization. As such, the proposed requirement to report data for real estate transactions would violate our confidentiality policy.

Drinking water laboratories across the state receive samples from a host of different clients daily. They may be homeowners who are testing their own well or irrigation water, they may be testing their parents well, or they may be testing the water at a property they are interested in buying *or* selling. Either way, to us, they are all the same client – one that is treated equally and is not questioned as to why they are testing their drinking water. The relationship between a laboratory and its clients, whether environmental or medical, **MUST** remain confidential and unbiased.

If we are required to start qualifying our clients and ask them “WHY” they are testing their drinking water, our relationship with them changes. Clients who felt safe coming in with their drinking water are now going to be asked if we can send their data to the government.

Based on my 35 years of experience in the industry, I strongly believe that if clients find out that their laboratory is sending their results to the state, they will stop testing their water altogether. The most important part of HB 3207 is to gather data so we can educate our communities about safe drinking water. What if this bill actually discourages those who are already testing their water from testing it at all? What if this bill, which was originally written to protect the buyer in a home sale with a well, changes domestic water testing negatively in Oregon altogether?

Currently there is a program through OSU that is testing domestic water and collecting data to educate domestic well owners. As of March 9th they have sent over 8700 letters to well owners in Oregon offering free water testing. Only 265 households have done the testing. That is only 3% and the testing is free. It is believed that the reason they are not participating is because Oregonians do not want their water data shared in a study and available to the public.

My other concern is, if we send the data to the State for a client that we *think* is selling their home, but they don't? This bill opens the door for the laboratory's clients to sue them for breach of confidentiality. One can also assume that if such a breach has been made, that client would likely never test their home well water again.

I am also concerned about the financial and undue stress this will put on the Oregon environmental laboratory community.

There is very little profit in the environmental laboratory industry. Employees are paid comparable wages to fast food and retail, yet have 4-year college degrees. Laboratories across the country are struggling with staffing. The price of the real estate package (bacteria, nitrate and arsenic) is only \$115.00. After the cost to run the analysis, which includes media, chemicals, reagents, consumables, labor and laboratory overhead, labs are left with a profit of roughly \$19.00. If this bill goes through, labs would have to spend more time on client services to qualify their clients, amend their forms and enter additional data into a DEQ database. By doing this, the profit will likely be reduced to \$4.00 per package and therefore laboratories will all be forced to increase the fees. To offset the costs of HB 3207 we plan on raising the price of the real estate package from \$115.00 to at least \$145.00.

With laboratories increasing the prices of the analyses to offset these labor requirements; a fiscal impact statement should be done to reflect the increased cost to the citizens of the State.

According to HB 3207, the concept would also provide staffing and data infrastructure support at DEQ for data processing and making the data accessible to the public.

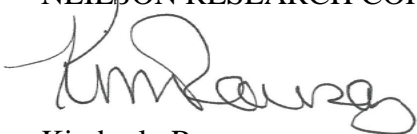
Laboratories don't have the luxury of State money to hire additional help to support additional staffing for sending the data and qualifying their clients.

I have already been contacted by a small laboratory that said if this bill passes and it becomes too cumbersome for her to process the data, she will likely discontinue accepting samples for domestic well testing all together.

We would like to recommend forming a working group and including the laboratory community to re-write this bill and to create a bill that will actually protect all citizens and businesses in Oregon.

Thank you for your time and your consideration,

NEILSON RESEARCH CORPORATION



Kimberly Ramsay
Vice President