Senate Bill 680

Sponsored by Senators GOLDEN, MANNING JR; Senators CAMPOS, FREDERICK, GORSEK, PATTERSON, PROZANSKI, TAYLOR (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.** The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Says that a person may not claim a good effect on the environment from the person or the person's products or services if the claim is not true. Says that a violation is a bad practice under the UTPA and that the person can get sued for \$200 for the violation. (Flesch Readability Score: 61.5).

Prohibits a person from publishing or causing to be published an environmental marketing claim, net zero claim or reputational advertising that is materially false, misleading, deceptive or fraudulent. Specifies what constitutes a materially false, misleading, deceptive or fraudulent environmental marketing claim or net zero claim or reputational advertising.

Punishes a violation of the Act as an unlawful trade practice under the Unlawful Trade Practices Act and subjects the violator to statutory damages of \$200 if a plaintiff can prove exposure to the claim or advertising and that the plaintiff purchased a product or service from the person based on the claim or advertising.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

- Relating to greenwashing; creating new provisions; amending ORS 646.607; and declaring an emergency.
 - Whereas Oregon has a compelling state interest in protecting residents and businesses in this state from harms that result from deceptive environmental marketing claims, commonly known as "greenwashing"; and
 - Whereas greenwashing threatens consumer rights and protections and undermines the rights of residents of this state to make informed purchasing decisions; and
 - Whereas honest and transparent businesses in this state face unfair competition from companies that greenwash their products or services or their actions; now, therefore,
- 11 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. (1) As used in this section:
 - (a) "Affiliate" means a person that controls, is controlled by or is under common control with another person.
 - (b) "Environmental marketing claim" means a public representation in a label, advertisement, promotion, symbol, logo, brand name or other communication that a person publishes in selling or offering for sale a product or service and in which the person states that the product or service benefits the natural environment or offsets or reduces an imbalance, harm or other negative effect on the natural environment.
 - (c) "Net zero balance" means an equilibrium between the amount of greenhouse gas emissions a person causes or produces overall and the amount of greenhouse gas emissions reductions the person achieves, by whatever method.
 - (d) "Net zero claim" means an environmental marketing claim that specifically represents that a person, product or service:

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1

4

5

6 7

8

10

12

13 14

15

16

17 18

19

20 21

22

- (A) Achieves or contributes to achieving a balance between the amount of greenhouse gases the person, or the production, distribution or use of the product or service, emits into the natural environment and the amount of greenhouse gases the person, or the production, distribution or use of the product or service, removes from the natural environment; or
- (B) Offsets or reduces the amount of greenhouse gases that already exist in the natural environment.
- (e) "Reasonable resident" means a resident who acts with prudence, care, ordinary intelligence and reason in weighing and evaluating an assertion or claim.
- (f) "Reputational advertising" means a public representation that a person publishes or causes to be published for the purpose of creating a positive public perception of the person, or of products or services the person makes, distributes or sells, even if the person does not make the representation in direct connection with an offer or sale of a particular product or service.
 - (g) "Resident" means a natural person who resides in this state.
- (2)(a) A person may not publish or cause to be published an environmental marketing claim or net zero claim, or publish or cause to be published reputational advertising, that is materially false, misleading, deceptive or fraudulent.
- (b) An environmental marketing claim is materially false, misleading, deceptive or fraudulent if the person intends for a recipient of the claim to rely on the claim, or if a reasonable resident would otherwise rely on the claim in a decision to patronize the person, or purchase the person's products or services, and the claim:
 - (A) Consists of or includes material information that is provably false;
- (B) Omits or conceals material facts about the person or the person's products or services that substantially contradict or disprove the claim or that, if accurately and completely stated, would add context necessary for a reasonable resident to reliably evaluate the truth or falsity of the claim;
- (C) Is not supported by competent and reliable scientific evidence, if the person asserts that a scientific basis exists for the claim;
 - (D) Is so overly broad and general that the person cannot substantiate the claim;
- (E) Fails to qualify the claim with clear, prominent, specific and significant benefits to the natural environment, if the claim is general in nature; or
- (F) Fails to mention or discuss potential costs or tradeoffs, if the claim asserts that a special attribute of the person or the person's products or services benefits the natural environment.
- (c) A net zero claim is materially false, misleading, deceptive or fraudulent if the person intends for a recipient of the claim to rely on the claim, or if a reasonable resident would otherwise rely on the claim in a decision to patronize the person, or purchase the person's products or services, and the claim:
 - (A) Consists of or includes material information that is provably false;
- (B) Omits or conceals material facts about the person or the person's products or services that substantially contradict or disprove the claim or that, if accurately and completely stated, would add context necessary for a reasonable resident to reliably evaluate the truth or falsity of the claim;
 - (C) Is not supported by competent and reliable scientific evidence;
 - (D) Does not use appropriate or reliable accounting methods to measure greenhouse gas

emissions or reductions in emissions;

- (E) Is based primarily on the person's purchase of greenhouse gas offsets that will not result in greenhouse gas emissions reductions for two or more years into the future;
- (F) Does not specify the method by which the person, or the person's product or service, achieves a net zero balance if the person is not achieving significant and measurable actual reductions in greenhouse gas emissions and is instead primarily purchasing greenhouse gas emission reduction credits from another person or is divesting from or selling another person and is claiming greenhouse gas emission reductions or claiming a net zero balance solely on the basis of the divestment or sale;
- (G) Does not specify where in the person's supply chain or production process greenhouse gas emission reductions occur or whether the person has direct responsibility for greenhouse gas emission reductions or that an affiliate of the person has direct responsibility, if the claim asserts only that the person has achieved a net zero balance while a part of the person's supply chain or production process, or an affiliate of the person, has actually increased greenhouse gas emissions;
- (H) Is not substantiated by implementing actions or a plan for imminent implementing actions; or
- (I) Does not disclose that the person, or the person's product or service, does no more than comply with an applicable existing legal requirement if the person, product or service does not in fact do more than comply with the applicable existing legal requirement.
- (d) Reputational advertising is materially false, misleading, deceptive or fraudulent if the person intends for a recipient of the reputational advertising to rely on the reputational advertising, or if a reasonable resident would otherwise rely on the reputational advertising in a decision to patronize the person, or purchase the person's products or services, and the reputational advertising:
 - (A) Consists of or includes material information that is provably false;
- (B) Omits or conceals material facts about the person or the person's products or services that substantially contradict or disprove the claim or that, if accurately and completely stated, would add context necessary for a reasonable resident to reliably evaluate the truth or falsity of the claim; or
- (C) Fails to mention or conceals instances or incidents in which the person has knowingly or intentionally violated or failed to comply with state or federal environmental laws that applied to the person or the person's products or services, and the violation or failure to comply was adjudicated and resulted in a fine, civil penalty or criminal prosecution.
- (3)(a) A person that publishes or causes to be published an environmental marketing claim or net zero claim or that publishes or causes to be published reputational advertising that is materially false, misleading, deceptive or fraudulent:
 - (A) Engages in an unlawful trade practice under ORS 646.607; and
- (B) Is liable for damages in an amount that does not exceed \$200 to a plaintiff that brings an action in a court of this state in which the plaintiff asserts and proves with appropriate evidence that:
 - (i) The plaintiff was a recipient of the claim or the reputational advertisement; and
- (ii) The plaintiff purchased a product or service from the person based on a reliance on the materially false, misleading, deceptive or fraudulent claim or reputational advertising.
 - (b) A person's liability under paragraph (a)(B) of this subsection does not limit the

person's liability under other applicable law or limit a cause of action a plaintiff might otherwise have against the person.

SECTION 2. ORS 646.607 is amended to read:

646.607. A person engages in an unlawful trade practice if in the course of the person's business, vocation or occupation the person:

- (1) Employs any unconscionable tactic in connection with selling, renting or disposing of real estate, goods or services, or collecting or enforcing an obligation.
- (2) Fails to deliver all or any portion of real estate, goods or services as promised, and at a customer's request, fails to refund money that the customer gave to the person to purchase the undelivered real estate, goods or services and that the person does not retain pursuant to any right, claim or defense the person may assert in good faith. This subsection does not create a warranty obligation and does not apply to a dispute over the quality of real estate, goods or services delivered to a customer.
 - (3) Violates ORS 401.965 (2).
- 15 (4) Violates a provision of ORS 646A.725 to 646A.750.
- 16 (5) Violates ORS 646A.530.
- 17 (6) Employs a collection practice that is unlawful under ORS 646.639.
- 18 (7) Is a beneficiary that violates ORS 86.726 (1)(a) or (2), 86.729 (4) or 86.732 (1) or (2).
- 19 (8) Violates ORS 646A.093.
- 20 (9) Violates a provision of ORS 646A.600 to 646A.628.
- 21 (10) Violates ORS 646A.808 (2).
- 22 (11) Violates ORS 336.184.
 - (12) Publishes on a website related to the person's business, or in a consumer agreement related to a consumer transaction, a statement or representation of fact in which the person asserts that the person, in a particular manner or for particular purposes, will use, disclose, collect, maintain, delete or dispose of information that the person requests, requires or receives from a consumer and the person uses, discloses, collects, maintains, deletes or disposes of the information in a manner that is materially inconsistent with the person's statement or representation.
 - (13) Violates ORS 646A.813 (2).
 - (14) Violates ORS 137.930 (1).
 - (15) Violates section 1 of this 2025 Act.

<u>SECTION 3.</u> This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

34 35

3

4

5

6

7

8 9

10

11 12

13

14

23

24

25

26 27

28

29 30

31

32