



January 23, 2025

TO: Members of the Senate Committee on Labor and Business

FR: Derek Sangston, Oregon Business & Industry

RE: Opposition to SB 430 – UCC Modifications for Online Sales

Chair Taylor, Vice-chair Bonham, members of the Senate Committee on Labor and Business. For the record, I am 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 voice our opposition to SB 430 as drafted. While the intent behind the bill may be to increase transparency and consumer protection, it introduces a broad change that would lead to a patchwork of regulations of online commerce that vary from state to state. The results of which would disproportionately impact small businesses and consumers.

While not squarely included as part of the Uniform Commercial Code (UCC), Oregon's regulation of retail sales that 430 would regulate has long played a similar role in creating a workable and known framework governing business transactions. Like the UCC, consistent application of principles governing those retail sales provides clear, predictable rules for interstate commerce and protecting consumers without overly complicating business operations. By altering this long-established framework, SB 430 risks disrupting this consistency, making it more difficult for businesses, especially small businesses, to comply with varying state requirements.

Moreover, this bill could inadvertently harm consumers. As businesses face higher compliance costs, they may pass those costs onto consumers in the form of higher prices or stop selling certain products altogether. There are also already significant federal protections governing disclosure in place to safeguard consumers. Layering on additional state-specific requirements could create confusion rather than provide clear benefits.

For the foregoing reasons, I urge this committee to pause on adopting broad changes to Oregon's regulation of online sales and oppose SB 430. Thank you for your consideration.

Contact: dereksangston@oregonbusinessindustry.com