



Date: February 20, 2025

To: Chair and Members of House Committee on Emergency Management, General Government, and Veterans

From: Scott Bruun, Oregon Bankers Association

RE: Testimony in opposition of HB 3062 / Industrial Sensitivity Mapping

Chair Tran, Vice-Chair Lewis, Vice-Chair Grayber and Members of the Committee,

My name is Scott Bruun, and I am the President and CEO of the Oregon Bankers Association and Community Banks of Oregon. Together, we represent the FDIC-insured banks and trust companies operating in Oregon. We also work and advocate to improve the overall business climate in Oregon because every business issue is also a banking issue.

HB 3062 Would Harm Industrial Development and Investment

House Bill 3062 proposes additional requirements for local governments to map “sensitive uses” areas, and mandates comprehensive public health impact analyses, conditional approval, and multiple hearings before permitting industrial developments within 1,000 feet of these areas. While we recognize the importance of protecting vulnerable populations, the OBA is concerned that the bill's overly broad and cumbersome provisions could inadvertently hinder industrial development and deter investment in our state.

The new layers of regulatory compliance proposed in HB 3062, including detailed studies and additional public hearings, would lead to significant delays and increased costs for industrial projects of any size or scope. Such uncertainties are likely to discourage businesses from pursuing investments and developments in Oregon, opting instead for regions or states with more balanced regulatory requirements.

HB 3062 Would Worsen Oregon's Challenging Business Climate

Oregon's business climate already struggles with high taxes, substantial regulatory burden due to high taxes, substantial regulatory burden and costs, and a sentiment within state government that too often views business as adversaries rather than partners. Passage of HB 3062 could amplify these challenges by adding further regulatory burdens, making it more difficult for Oregon businesses to operate, hire, and thrive.

Oregon's economic vitality depends on a mutually beneficial partnership between the public and private sectors. But policies that impose increasingly burdensome and unnecessary obstacles on businesses will further undermine this partnership, leading to

reduced job creation, economic stagnation, and diminished competitiveness compared to other states.

Banks Support Sustainable Industrial Development

Oregon's banks are committed to supporting sustainable industrial development and investment. By providing capital and financial services to businesses, Oregon's banks play a crucial role in fostering economic growth and community prosperity. Our member banks work closely with customers to ensure that industrial projects are economically viable, socially beneficial, and environmentally responsible.

However, the added regulatory cost and complexities of HB 3062 would likely drive many businesses away from seeking financing for industrial projects, thereby dampening opportunities for economic development and investment efforts, and harming the banks that support those efforts.

HB 3062 Would Harm Traded-Sector Industries

Finally, I will note that traded-sector industries are vital to Oregon's economy, contributing significantly to tax revenues and job creation. These industries rely on a favorable business environment to remain competitive in national and global markets. But the additional requirements proposed in HB 3062 would create another competitive disadvantage for Oregon, prompting businesses to consider relocation or investment elsewhere.

Such outcomes would not only diminish the state's tax base but also lead to job losses in communities that depend on traded-sector employment. Furthermore, banks, and the 20,000 people in Oregon that work for banks and who provide essential services to these industries, would experience negative impacts, as reduced industrial activity translates to decreased demand for banking services.

The Oregon Bankers Association believes that the bill poses significant risks to industrial development, investment, and overall economic health in Oregon. We urge the committee to consider these adverse effects and explore alternative approaches that balance public health concerns with the need to maintain a vibrant and competitive business climate.

Thank you, I am happy to answer any questions.

Contact: sbruun@oregonbankers.com