

<u>Testimony of Humane Voters Oregon on House Bill 2334</u> House Committee on Economic Recovery and Prosperity

March 11, 2021

Chair Lively, Vice Chairs Cate and Kropf, and Members of the Committee:

Humane Voters Oregon is a nonprofit organization that works in Oregon's political process and elections to promote humane treatment of animals. We are not affiliated with any other state or national organization.

We participate in agency rulemaking proceedings related to treatment of wildlife and other animals in Oregon. Based on that experience, we have concerns about House Bill 2334.

HB 2334 would further elevate the special consideration that businesses receive in the agency rulemaking process. In addition to requiring a statement of economic impact for temporary rules, which may be necessary to respond to an emergency, HB 2334 would repeal ORS 183.540 (Section 4) and replace it with similar but importantly different language (Section 2(3)). The new language would require agencies to address a finding of significant adverse effect on small business in at least three ways instead of allowing agencies to address the impact in one of five ways. (Compare HB 2334 Section 2(3) to ORS 183.540; note that "and" would replace "or" in a key place.) If a rule could not use "objective criteria for standards," HB 2334 would require the agency to exempt small business from the rule or adopt "a less intrusive or less costly rule."

Economic impacts to small businesses are important considerations in agency rulemakings. Those considerations also need to be balanced with other important considerations – including public health and safety, protection of the environment and humane treatment of animals. Economic impacts on business already receive explicit special consideration under the statutes that govern the agency rulemaking process, unlike many other interests. In our experience, state agencies and their rulemaking commissions are highly sympathetic to the interests of small business. We do not see the need to give those interest an even higher priority than they already receive under existing law, especially if it may prevent adoption of necessary rules to address compelling non-business priorities.

Finally, we assume the statement of economic impact is omitted from the notice requirements for temporary rules because those rules often need to be adopted in emergency fashion such that preparation of a business impact statement is impractical. If so, it makes sense to keep that requirement out of the temporary rulemaking process, especially since temporary rules are limited in duration to 180 days, after which the full analysis and impact statement can be done as part of a regular rulemaking process.

Thank you for considering our comments.

Brian Posewitz

Brian Posewitz Director