



Date: April 5, 2023
To: Senate Business and Labor Committee
RE: Opposition to HB 2620

Chair Taylor and members of the committee,

Thank you for the opportunity to provide testimony on HB 2620. The Oregon Liability Reform Coalition represents more than 30 businesses and associations that share the goal of protecting businesses from the expansion of lawsuits. While we have no position on the policy, we have serious concerns with the liability provisions included in the bill.

As drafted, HB 2620 adds violations of laws that regulate home solicitation sales to the Unlawful Trade Practices Act and allows enforcement through a Private Right of Action (PRA), giving private citizens the ability to pursue legal action for any violation outlined in ORS 83.710 to ORS 83.750. ORLRC is strongly opposed to the expansion of the UTPA with PRA enforcement as it will undermine the existing appropriate enforcement, result in unnecessary and costly litigation, and will expose businesses to potential lawsuits for honest mistakes.

The Unfair Trade Practices Act was established to prohibit unfair methods of competition or deceptive acts and practices. However, under the UTPA, there are two methods of enforcement. One method of enforcement is through a PRA, giving private citizens the ability to file class action lawsuits, and the other enforcement mechanism allows the Attorney General to bring action for violations. ORLRC has always worked to limit adding additional provisions to the UTPA that will be subject to a PRA in favor of allowing the Attorney General to take action.

The Oregon Attorney General has a demonstrated history of appropriately enforcing regulations in our state. The AG's office has a team of experts that are able to guide the enforcement process and understand the complexities of encouraging compliance and innovation while preventing and remediating harms. Education and enforcement should be prioritized instead of encouraging lawsuits that circumvent the Attorney General's enforcement process.

Additionally, private rights of action can result in large payouts to plaintiffs' lawyers, while consumers often receive insignificant financial benefit. The opportunity for a large winning incentivizes attorneys to pursue lawsuits, often for very minor and/or accidental violations. Unfortunately, many companies acting in good faith to comply with regulations will feel pressure to avoid the uncertainty of high-stakes litigation and will elect instead to settle suits in an effort to avoid costly legal expenses.

For these reasons, we ask that you pause on moving forward HB 2620 with the private right of action included in the legislation.

Thank you for your consideration,

Montana Lewellen
Oregon Liability Reform Coalition