

# Opposition to Overly Broad Regulatory Changes

## Overview

The proposed bill is a sweeping regulatory measure with far-reaching implications on businesses, employment, and Oregon's land use system. While its stated goal is to assess and reduce the public health impacts of industrial activities on sensitive populations, its broad definitions and extensive scope could create significant challenges for businesses, especially small and medium-sized operations.

## Key Definitions

1. **Industrial Use:** This bill doesn't just target large "factories"; it encompasses light and medium manufacturing, including small businesses like auto shops, body shops, machine shops, and distribution centers. This could include any business that produces goods, making this bill applicable to many small enterprises. Moreover, stereotypical "factories" are already extensively regulated by DEQ for their emissions, and aren't locating in residential areas as a general matter.
2. **Public Health Impacts Analysis:** The bill mandates an analysis of nearly every conceivable externality created by a business activity, placing a potentially burdensome regulatory requirement on businesses.
3. **Sensitive Use:** The bill defines "sensitive use" so broadly that it could apply to any residential area, parks, or open spaces. Essentially, if people are present, it is considered a sensitive use.
4. **Vulnerable Populations:** This includes residential uses, meaning that any area where people live, work, or gather could be considered vulnerable under this bill.

## Key Impacts

- **Unaffordable Costs:** The bill's extensive public health impacts analysis and requirements for businesses to study and mitigate impacts may be cost-prohibitive for small businesses, particularly those without access to consultants or compliance divisions. This will disproportionately affect businesses without the financial resources to comply.
- **Restrictions on Business Growth:** Small businesses, like a one-person machine shop, will struggle to open, relocate, or expand due to the prohibitive cost of the required studies and approval processes.
- **Land Use Challenges:** The bill could potentially render large swaths of land that are currently zoned for industrial or job-producing activities effectively unusable for these purposes. The requirement to perform health impact studies on nearby sensitive uses could prevent businesses from operating or growing near residential areas or parks.
- **Impact on Job Creation:** Businesses that provide jobs, particularly in light industrial and distribution sectors, will find it more difficult to operate or expand under these new regulations. These small businesses are critical to Oregon's economy, and the bill could hinder job creation by limiting where such businesses can be located.
- **Potential for Overreach:** Definitions like "industrial use" and "sensitive use" leave significant room for expansion through rulemaking, creating uncertainty for businesses.

The bill may inadvertently hinder industries that are key to Oregon's economic development strategies, particularly manufacturing and light industry.

### Practical Challenges

- The broad application of this bill means many small businesses across Oregon could be affected, especially those operating near residential areas or parks.
- The requirement for health impact studies, which include areas not even mapped by jurisdictions, will be a significant barrier to business operations.
- Small towns with light industrial businesses, such as machine shops, auto shops, and distributors, will find themselves facing costly regulations that are difficult to navigate, potentially stifling local economies.

### Conclusion

This bill is a response to a localized land use conflict and, while intended to reduce public health impacts, could have an outsized negative effect on Oregon's economy. The sweeping definitions and regulatory burden may harm small businesses and reduce job-producing opportunities, particularly in communities that rely on light manufacturing and industrial uses. A more balanced approach is needed to address land use conflicts without stifling economic growth.

