



February 6, 2024

TO: Senate Committee on Labor & Business
FR: Charlie Fisher, State Director, OSPIRG
RE: In Support of SB 1595

OSPIRG is a statewide public interest organization representing thousands of Oregonians. **We support SB 1595.**

Oregonians take on debt for a variety of good reasons: for education, housing, transportation, entrepreneurial investments, and more. Unfortunately, there are more concerning kinds of financial obligations, including debt that comes from medical bills.

In a report we released, OSPIRG analyzed nearly 8,000 Chapter 7 and Chapter 13 Oregon bankruptcy filings from 2019 and found that [60% included medical debt](#). Sudden or unexpectedly large medical bills can leave individuals and families vulnerable to other kinds of debt, and place consumers at the beck and call of creditors and legal proceedings that leave no room for errors - which happen all too often. Last year, the Consumer Financial Protection Bureau received nearly [400 of these complaints](#) from Oregonians about wrongful debt collections, including for debt already paid and debt that did not belong to the consumer. These complaints also included harassment tactics, unclear or ineffective notices of debt collections, and attempts to collect the wrong amount of debt.

I'd like to share the story of Michelle, a member of ours, to demonstrate the problems that SB 1595 will help address. Over the last three years, Michelle has been dealing with the effects of long COVID - respiratory problems and other debilitating symptoms for which EKGs, ultrasounds, blood tests, and more could find no solution. During this time, she has also had skin cancer, mold poisoning, a continuous motion condition, and more. Her health needs cost her and her husband their entire savings - over \$20,000. On top of that, she had to move in with her daughter and find a new place to live due to mold. She and her husband were forced to close their business, as well, leaving them with increased housing costs and no income. Though they are trying to restart their business, it's a slow process. Michelle said that they have been putting all their expenses on their credit cards, and that she has started getting collection calls. She said, "I no longer pursue medical help, no matter the symptoms. I am really afraid right now of becoming homeless. [N]o one chooses to go into debt like this."

SB 1595 would protect Oregonians whose debt leaves them vulnerable to collections and complicated legal proceedings, as well as even out the playing field when creditors take action they shouldn't and consumers are pulled into legal messes that can have long-lasting effects on their financial stability. I urge your support and yes vote for SB 1595 for Oregonians like Michelle who are struggling right now.

Thank you.