Testimony in Opposition to HB3838/SB1138

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Committee: House Committee on Labor and Workplace Standards

Chair Grayber, Vice-Chairs Elmer and Munoz, and Members of the Committee,

Thank you for the opportunity to testify today. My name is Tiffani Olsen, and I serve as IDD Residential Director at Shangri-La, a nonprofit dedicated to serving people with disabilities and disadvantages to recognize and achieve their full potential. I am here to strongly oppose HB 3838, which seeks to establish a wage and workforce standards board that would impose mandates on nonprofit organizations.

Nonprofits Must Retain Their Independence

Nonprofits are designed to be independent entities that serve communities based on their mission, not government-mandated labor policies dictated by external forces. This bill specifically targets nonprofits by defining an "employer organization" as a nonprofit trade association composed primarily of nonprofit employers. Since when do unions and third-party boards get to direct how nonprofits operate? This proposal undermines the autonomy of mission-driven organizations and sets a dangerous precedent for regulatory overreach.

One-Size-Fits-All Wage Mandates Do Not Work

Nonprofits operate within tight budgetary constraints, often dictated by fixed-rate government contracts or rates set outside of our influence or control, grants, and donations. Unlike private sector businesses that can adjust prices or profits, nonprofits cannot easily increase revenue to cover additional mandated costs. If wages and workforce standards are dictated without consideration of funding realities, organizations like ours will be forced to reduce services, cut jobs, or, in extreme cases, shut down entirely.

Workforce Standards Should Be Set by Employers, Not Third-Party Boards

Our organization prides itself on treating employees fairly, offering competitive wages, and creating a work environment that supports retention and growth. However, the needs of nonprofit workers are best addressed by those who employ them, not an external board with little understanding of the financial and operational realities of nonprofit work. If this bill passes, it will strip nonprofits of their ability to make workforce decisions based on mission, sustainability, and community needs.

Conclusion

I urge the committee to reject HB 3838 and recognize that nonprofits are already highly regulated and accountable to multiple stakeholders, including funders, government agencies such as CMS and ODHS, and the communities we serve. We should not be further burdened by mandates that disregard our financial realities and the unique nature of nonprofit work.

Thank you for your time and consideration.

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