

Submitter: Vlad Enakiev
On Behalf Of:
Committee: House Committee On Labor and Workplace Standards
Measure, Appointment or Topic: HB3838

Opposition to House Bill 3838: Overreach and Unintended Consequences in the Home and Community-Based Services Sector

House Bill 3838, which seeks to establish a Home and Community-Based Services Workforce Standards Board, raises several concerns regarding government overreach, increased financial burdens, and unintended consequences for both care providers and the individuals they serve. While ensuring fair wages and working conditions is important, this bill imposes rigid regulations that could harm small care providers, reduce workforce flexibility, and increase costs that may ultimately be passed on to vulnerable residents.

Increased Costs and Funding Uncertainty

The bill mandates compensation and benefit standards that could significantly raise operating costs for small adult foster homes, in-home care agencies, and other community-based providers. However, it does not establish a clear funding source to cover these new costs. The requirement that new standards impacting state budgets must be ratified by the Legislative Assembly creates uncertainty, as providers may be left without adequate reimbursement, forcing them to cut services or close their doors.

Bureaucratic Overreach and Loss of Provider Autonomy

HB 3838 places significant decision-making power in the hands of a 13-member appointed board, rather than allowing individual providers to set employment terms that best suit their operational needs. Employers—many of whom are small business owners—could lose autonomy in managing wages, training, and staffing levels, leading to increased administrative burdens and reduced flexibility in responding to workforce challenges.

Risk of Workforce Shortages

Instead of making home and community-based care more attractive, the bill could exacerbate worker shortages by imposing additional training, certification, and reporting requirements. Smaller providers may struggle to comply with new mandates, leading to fewer available jobs or a shift toward institutionalized care, which contradicts the bill's goal of strengthening community-based services.

Privacy Concerns and Worker Representation Issues

The bill requires employers to share worker information—including names,

addresses, and contact details—with labor organizations. This raises serious privacy concerns for employees who may not wish to have their personal information shared or be automatically involved in collective bargaining efforts without their consent.

One-Size-Fits-All Approach Ignores Regional Differences

HB 3838 seeks to standardize wages and benefits across Oregon, failing to consider cost-of-living variations between rural and urban areas. A wage mandate that might be sustainable in Portland could be devastating for a small care home in a rural community, potentially leading to reduced services or facility closures.

Conclusion: A Need for Balance

Rather than creating a state-controlled board with sweeping authority over private care providers, Oregon should focus on incentive-based solutions to improve wages and working conditions, such as increased Medicaid reimbursement rates, tax credits for caregivers, or voluntary workforce development programs. HB 3838, as written, risks creating more harm than good, reducing care options, increasing costs, and making it harder for small providers to remain in operation.

Lawmakers should reject this bill in favor of a more balanced approach that considers the realities of home and community-based care.