

Testimony in Opposition to HB 3838

House Committee on Labor and Workplace Standards

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

My name is Ed Diehl, State Representative for House District 17, East Salem through the Majestic Santiam Canyon. I am here today to strongly oppose House Bill 3838. As someone who deeply values the essential role of home and community-based care providers, I am gravely concerned about the unintended consequences this bill will have on our most vulnerable residents and the organizations that serve them.

HB 3838 seeks to establish a Home and Community-Based Services Workforce Standards Board with the goal of setting minimum workforce standards. While workforce investment is critical, this bill sets up yet another unelected bureaucracy that will undoubtedly introduce standards that will cripple nonprofit providers, increase administrative burdens, and ultimately reduce service availability for those who depend on these essential services.

This is another small business killer. It will do to home based care providers what House Bill 2548 will do to farmers. It's a blatant attempt to steamroll these small businesses, and take control of their own businesses out of their hands. This will lead to a consolidation of service providers, as the smaller ones will face ever-growing administrative burdens, driving them out of business. It will create insurmountable barriers to new businesses, who perhaps would have more creative, innovative ways to deliver care.

Oregon should be working to expand services, not impose new regulatory barriers that limit access to care.

This unelected board, established by the Governor, will set pay rates, working conditions, schedules, working hours, training standards, and staffing requirements.

Invest In Medicaid Reimbursement Rates

So my question is why? Why create rigid, one-size-fits-all workforce mandates? Why create an unelected board to do these things? These businesses are already heavily regulated by the state. They also rely heavily on Medicaid reimbursements, also regulated by the state. ODHS recently completed a workforce study and determined that these workers are underpaid – **we don't need a board to tell us that**. The agency and the

legislature have the authority, and the duty, to regulate this industry. We don't need yet another layer of bureaucracy to do it.

This bill is being pushed by public sector union leadership. And in my opinion the true reason for this is simple – drive out the small businesses, consolidate, and ultimately have a unionized workforce employed by the state. That's not good for business, it's not good for taxpayers, it's not good for employees, and it's definitely not good for the clients that these providers care for who are among the most vulnerable in our state.

It may surprise some of you, but some people don't like working for unions. Many studies show that union members are actually less satisfied with their jobs than non-union workers. I have visited several of these care homes. And the worker's I have met are happy in their jobs and enjoy their work. Their main request is that we raise the reimbursement rates.

Conclusion

HB 3838, puts the mission of many providers at risk. I urge you to reject this bill and instead pursue real solutions.

For the last 3 sessions I have sat on the Human Services Ways & Means Subcommittee and I have dug into these issues and the REAL solutions are higher Medicaid reimbursement rates, recruitment incentives, and reduced administrative burdens—Those solutions will genuinely strengthen the home and community-based workforce without harming nonprofit providers and those they serve. Thank you for your time.
