



April 30, 2025

Oregon State Legislature  
House Committee on Labor and Workplace Standards  
900 Court Street NE  
Salem, OR 97301  
*Submitted electronically via OLIS*

**RE: SB 916A, relating to unemployment insurance benefits for employees who are unemployed due to a labor dispute; declaring an emergency**

Chair Grayber and Members of the Committee:

The Hospital Association of Oregon is a mission-driven nonprofit association representing Oregon's 61 community hospitals. The hospital association supports Oregon's hospitals so they can support care in the communities.

Hospitals play important roles in their communities as community safety nets, and as economic anchors, driving \$32.4 billion in economic activity and 160,000 jobs. When the worst happens—a child is sick, a car accident occurs, a family member has chest pain in the middle of the night—hospitals are there to serve the public. They serve all people, regardless of income, insurance, or immigration status, and thus play an important role in ensuring access to care. The need for health care cannot always be scheduled, so there is an important public interest in ensuring that hospital doors stay open, 24 hours a day, seven days a week, 365 days a year.

The hospital association is opposed to SB 916A, which would make unemployment insurance benefits available to striking workers. We oppose this bill because we believe the pendulum cannot swing this far without harming access to care for people in their communities.

This bill is irreconcilable with the very purpose of unemployment insurance—to be a resource for people who find themselves out of work through no fault of their own. That core principle has existed under both federal and state law for decades. If striking workers are financially supported through



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unemployment insurance benefits, there is less urgency to participate in bargaining and do the work necessary to reach agreement. This will lead to strikes as a more frequent strategy during bargaining and strikes of longer duration.

A strike at a hospital is different than a strike at a grocery store or a factory. When hospital workers choose to go on strike, they walk away from vulnerable patients who need care. Hospitals must then find other workers to care for those patients, which comes at a great cost. In recent strikes, hospitals have stayed open by hiring expensive temporary workers. But that is a decision based on current circumstances and not a given. A financially distressed hospital may be forced to make the choice to temporarily close in order to maintain its long-term viability. The concern of the bill's sponsors for striking workers must be balanced against the public interest in hospitals staying open and available for people and their families who need care. This bill removes an incentive for striking workers to come back to the table to bargain, increasing the cost of a strike to a hospital and the risk that hospitals will temporarily close or people in the community will be harmed.

Oregon hospitals do not have unlimited resources. Since 2020, many Oregon hospitals have struggled to cover the cost of caring for patients. Expenses have risen dramatically, and payment for care has not kept pace. The cost of labor is a significant factor in the increase in expenses. As an example, Oregon's nursing wages, when adjusted for cost of living, are the highest in the nation<sup>1</sup>.

This bill must be viewed in the context of hospitals' current financial reality. Oregon's Medicaid program is the largest health insurance program in the state, covering one in three Oregonians. Yet, Medicaid's rates are lower than what it costs to provide patient care. Medicaid pays 56 cents on the dollar for patient care. This is not sustainable and threatens the ability of hospitals to continue to serve their communities. SB 916A will alter the expense side of health care, further challenging hospitals' ability to care for patients.

When a service such as a hospital is essential to the public, state policy should support labor and management reaching agreement through bargaining. Strikes, if they occur, should be of limited duration and all parties should be equally incentivized to return to the bargaining table. This legislation would change the balance of power that exists in current policy and create a dynamic where disruption of care for the community becomes a reality. If that occurs, people will be harmed.

For these reasons, we oppose SB 916A.

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<sup>1</sup> <https://www.beckershospitalreview.com/compensation-issues/rn-pay-for-all-50-states-adjusted-by-cost-of-living-2025/>



Sincerely,



Sean Kolmer  
Executive Vice President External Affairs  
Hospital Association of Oregon

#### **About the Hospital Association of Oregon**

Founded in 1934, the Hospital Association of Oregon (HAO) is a mission-driven, nonprofit trade association representing Oregon's 61 hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer, more equitable Oregon where all people have access to the high-quality care they need, the hospital association supports Oregon's hospitals so they can support their communities; educates government officials and the public on the state's health landscape, and works collaboratively with policymakers, community based organizations and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.



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