

February 10, 2026

**TO:** Members of the House Committee on Health Care

**FR:** Ryan Tuthill, Policy & Program Manager

**RE:** Oregon Business & Industry (OBI) Testimony in Support of HB4074

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Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 75% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Hospitals are critical to vibrant communities. They support community and individual health, provide family-wage jobs and anchor local communities. Hospitals also help attract and retain Oregon's workforce, providing confidence for families and businesses to put down roots and grow. Across Oregon, hospitals employ nearly 70,000 people and generate more than \$32 billion in economic output. In the Portland area, three of the five largest employers are hospitals.

Yet hospitals face extraordinary regulatory challenges, similar to other Oregon industries. A recent [OBI report](#) found that Oregon hospitals face three times as many regulations as their peers nationwide. That burden puts both patient care and the physical and economic health of communities at risk. Beyond direct compliance costs, the research showed that for every 10 percent increase in regulations, there is a corresponding 1 percent increase in consumer prices, a 0.5 percent increase in income inequality, and up to a 2.5 percent increase in inflation for low-income households.

These mounting regulatory costs and added complexity have taken a toll. Half of Oregon hospitals now operate at a loss, forcing them to reduce services or cut staff. Over the past year, communities across Oregon have lost vital health care services, including labor and delivery units, a pediatric intensive care unit, urgent care clinics and specialty clinics. These closures have reduced access to care and contributed to the loss of more than 1,000 hospital and health system jobs.

A strong economy and a strong health care system go hand in hand, which is why supporting hospitals in their mission to provide care is so critical. HB 4074 takes an important step toward fixing significant issues with the Oregon Health Authority's implementation of the hospital staffing law, allowing hospitals to better focus resources on patient care. Passing this bill will reduce strain on hospitals and help mitigate rising health coverage costs for individuals and employers.

For these reasons, we strongly encourage passage of HB 4074.