

To: Senate Committee on Rules

From: Paloma Sparks, on behalf of Oregon Business & Industry

Re: HB 4147, Medicaid Study Bill

Date: March 4, 2026

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Good evening, Chair Jama, Vice Chair Starr, members of the Senate Committee on Rules:

For the record, I am Paloma Sparks, here for Oregon Business & Industry (OBI). OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, over 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.

HB 4147A is a dramatic improvement from the version we first saw introduced in the House earlier this session. We want to thank Rep. Bowman for his work to find a middle ground on this bill. With those changes, OBI no longer has a position on *this* bill. However, we know that this bill is merely a precursor to a tax proposal targeted at large employers and part-time employment and we do have concerns about that.

As a policy matter, OBI believes that greater transparency in government is a good thing. But what we have seen in recent years is more and more bias in reports and processes to reach a pre-determined result. We hope that the sideboards in this bill will prevent such a result for this current and future policy discussions. What we found most alarming in the previous version of the bill was a clear anti-business perspective. The current version of the bill will at least focus on trends rather than targeting individual businesses.

We know that this bill is just the first step in a larger policy discussion. OBI's members are concerned that this policy discussion may be based on a faulty premise. It is important that the study and eventual policy differentiate when employers offer health insurance, but employees choose to be covered by the State. Few employers cover dependents without any financial contribution from employees, that also must be addressed. State policymakers have made several policy decisions significantly expanding eligibility for the Oregon Health Plan. Part-time and full-time employment benefits are very different and the factors that go into part-time employment are numerous, and those differences should be acknowledged in the report.

Thank you.