



OSCC Comments on HB 2010-A

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OSCC represents the state's 80 Chambers of Commerce and the 27,000 local businesses that are chamber members. Our members are in every corner of the state.

OSCC supports funding the Medicaid program. We do not oppose HB 2010-A. We understand the responsibility of the local business community to be part of the solution in helping the state solve its Medicaid funding deficit. HB 2010-A is a pragmatic solution which several of our member chambers support.

Particularly, we are pleased that the new Medicaid funding package does not renew the "true tax" that was levied on our hospital partners in the 2017-19 biennium.

But from a small and local business perspective, this is the first major cost increase on small business coming out of the 2019 legislature - **\$131.3 million for 2019-21 biennium and \$291.6 million when fully implemented**— stemming from the 2% tax on health insurance premiums for small and medium-sized businesses that buy their policies in the small and large group markets.

A typical 'employee-only' insurance product costs about \$500 per month. An 'employee plus family' policy costs over \$1,400 per month. **HB 2010-A is effectively a tax increase of \$120/yr per insured employee and \$336/yr per insured family.**

Large, self-insured corporations bear almost no cost under HB 2010-A.

We ask the Legislature to take into account the collective costs it will ask businesses to shoulder as it considers more taxes for a significant education investment, carbon reduction, paid family leave and other programs and mandates. Each of these costs have an impact on businesses of all types and sizes and are particularly challenging for Oregon's small business community.

HB 2010-A represents the first major cost the 2019 legislature is asking local business communities to pay - \$291.6 million when fully implemented.