



ORA envisions communities where people with disabilities live rich, fulfilling and inclusive lives.

**March 17, 2015**

**Oregon Rehabilitation Association (ORA)**

**Testimony by Chris Burnett, Executive Director of ORA**

**House Committee on Consumer Protection and Government Effectiveness**

**1pm**

**Hearing Room D**

**HB 3248:** Requires qualified nonprofit agency for individuals with disabilities to pay prevailing rate of wage that Commissioner of Bureau of Labor and Industries determines and to comply with other applicable provisions of state labor standards.

HB 3248 unnecessarily singles out QRFs for burdensome oversight and straps agencies that contract with QRFs with additional red tape and costs.

- **Most drastic approach.** Of all the QRF bills being considered by the legislature this session, HB 3248 takes the most drastic approach, requiring not just minimum but prevailing wage on all QRF service contracts. Workers with the most severe disabilities, especially those in rural regions, are most likely to have their jobs put at risk by this approach.
- **Singles out QRFs.** QRFs are already subject to BOLI and there is no evidence that they are more likely to violate labor or occupational safety and health laws than other employers. It is unfair to subject them to oversight required of no other Oregon companies.
- **Red tape and costs.** Under HB 3248 agencies would be required to track literally hundreds of individual QRF contracts and pay a complex set of fees to BOLI based on the value of those contracts. Not only is this expensive, it creates a new administrative headache unique to the QRF Program. The QRF Program relies upon the goodwill of public agency contracts, and this will harm the cooperation that exists between QRFs and public agencies.
- **Designed to benefit one QRF.** PHC is the largest QRF and holds nearly half of all the sales volume in the QRF Program. HB 3248 is a thinly veiled attempt to raise the prices of QRFs that compete with PHC for contracts in the Portland metro area.
- **No oversight of for-profit contractors.** HB 3248 would in some instances give preference to for-profit contractors, without any oversight to ensure that they are actually employing Oregonians with disabilities.

HB 3248 unfairly singles out QRFs for unique oversight from BOLI, adds unnecessary and confusing administrative burden to agencies that contract with QRFs, and would significantly raise the price of the majority of QRF contracts. It is a bad idea for Oregon, for QRFs, and for people with disabilities.