



February 20, 2023

**TO:** Members of the House Business & Labor Committee

**FR:** Katie Koenig, Oregon Business & Industry

**RE:** Oregon Business and Industry's Opposition of HB 2277

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Chair Holvey, Vice Chairs Elmer and Sosa, and Members of the Committee,

For the record my name is Katie Koenig, Public Affairs Manager 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, more than 80% of which are small businesses, employ more than 250,000 Oregonians.

Thank you for the opportunity to comment on HB 2277. We represent insurers as well as companies which are self-insured and those which provide third party administrator services. We do not come to this bill with one particular industry lens.

This is a complicated policy area, and we are still trying to fully understand the implications of this bill and the rationale for it. Most notably, there are significant questions about how this policy works under ERISA, specifically that requirements outlined in the base bill are likely preempted by ERISA. We believe these provisions conflict with the protections afforded multistate employers in explicitly prohibiting states and localities from enacting statutes or ordinances controlling the administration of an employee benefit plan established under ERISA. Congress recognized that multistate employers cannot provide quality, affordable benefits to working families if they must comply with a patchwork of recordkeeping, reporting, or other state and local mandates on ERISA plans in addition to federal rules.

Further, we would like to better understand the challenges DCBS refers to in "assisting consumers enrolled in [self-funded] plans" and how a registry would actually address those challenges.

With regard to the -1 amendment, the ability to request information regarding business-to-business agreements and internal records of a company are extraordinarily broad, without any sideboards, exemptions, or even definitions of relevancy. This is a slippery slope that may be well-intentioned but could have exceptional unintended consequences, not to mention result in an expansion of administrative work by both the government and private sector.

We urge caution in moving forward on this proposal. Our member companies and the individuals they employ are health insurance consumers. We too want the health insurance market to work well for everyone. We just do not see what the specific problem

is, how this legislation would address it, and how it would even be allowed under federal law.

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