



March 27, 2023

House Committee on Behavioral Health and Health Care
Oregon State Capitol
900 Court St. NE
Salem, OR 97302

Re: House Bill 3324

Delivered electronically to through Oregon Legislative Information System (OLIS):

Chair Nosse, Vice Chairs Goodwin and Nelson, and members of the committee:

The Oregon Association of Hospitals and Health Systems (OAHS) is a mission-driven, nonprofit association representing Oregon's 62 community hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer Oregon with equitable access to quality health care, OAHS provides services to Oregon's community hospitals ensuring all are able to deliver dependable, comprehensive health care to their communities; educates government officials and the public on the state's health landscape; and works collaboratively with policymakers, community organizations, and the health care community to build consensus on and advance health care policy benefiting the state's 4 million residents.

Hospitals are more than just buildings; they are cornerstones within the communities they serve. Our hospitals are employers, partners in community projects, and community spaces—all while providing vital health services to generation after generation of families in communities across Oregon. We know that when our hospitals are strong, our communities win.

We appreciate the opportunity to express support for House Bill 3324, which would establish a program to provide incentives to increase the recruitment and retention of nurse educators and establish the "Nursing Programs Salary Fund".

In 2022 through House Bill 4003, the Oregon Legislature directed the Oregon Health Care Workforce Committee to conduct a study of the nursing workforce to identify and describe challenges in addressing nurse staffing shortages and offer findings and recommendations. According to that report "Oregon's nursing education capacity does not produce all the nurses the state needs, leaving Oregon dependent on inter-state migration."¹

Only about 72% of Oregon's annual demand for new RNs is met by graduates of the state's nursing education programs, with the balance made up by an increasing number of RNs from other states gaining Oregon licenses by endorsement.²

¹ Future of Oregon's Nursing Workforce (November 2022), page 73: [The Future of Oregon's Nursing Workforce: Analysis and Recommendations \(oregoncenterfornursing.org\)](#)

² Oregon's Health Care Workforce Needs Assessment 2023, page 63. Draft report, available here: <https://www.oregon.gov/oha/HPA/HP-HCW/Meeting%20Documents/4.-2023-Health-Care-Workforce-Needs-Assessment-Draft-Report.pdf>

Earlier this month, the Higher Education Coordinating Council's Oregon Longitudinal Data Collaborative (OLDC) released the "Postsecondary Healthcare Education Shortage in Oregon" report, which is a comprehensive statewide analysis of the nursing education shortage that is impacting every region of Oregon.³ According to the study, approximately 6,700 qualified nursing student applications were submitted to Oregon postsecondary institutions in 2020, yet only 22.6% percent were accepted.⁴ According to the OLDC Report, "Oregon needs to increase the number of registered nursing graduates by 68% statewide."⁵ Oregon ranks 47th in graduates per capita from registered nursing programs.⁶

The researchers found that significant barriers have prevented registered nursing programs from expanding to accept more qualified students, including: difficulty hiring and retaining faculty, limited clinical placement opportunities, and fiscal challenges including costs to update and expand their facilities.⁷ In addition, the Report states "Oregon's salary difference between nursing faculty and nurses in the healthcare sector is larger than in other states."⁸ Analysis showed that states like Oregon with a higher nursing faculty salary gap graduate fewer students per capita.⁹

Among those interviewed for the Future of Oregon's Nursing Workforce report, noncompetitive pay was uniformly reported as the main reason why it is so hard to attract nurse faculty.¹⁰ The Report noted: "According to the Oregon Employment Department, nurse teachers and instructors in Oregon make an average of \$91,042 annually, while the average registered nurse salary is \$102,180. Most nurse educators must have higher education (master's level or higher), which they must obtain often at their own expense, to work as faculty at an ADN or BSN program. This means many nursing students leave the classroom with positions where they make more than the faculty who taught them."¹¹

³ Postsecondary Healthcare Education Shortage in Oregon: Addressing Oregon's Nursing Shortage Through Expansion of Postsecondary Opportunities for Students, Oregon Longitudinal Data Collaborative (OLDC), Published: March 14, 2023, <https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁴ Postsecondary Healthcare Education Shortage in Oregon report, page 56
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁵ Postsecondary Healthcare Education Shortage in Oregon report, page 56
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁶ Postsecondary Healthcare Education Shortage in Oregon report, page 19
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁷ Postsecondary Healthcare Education Shortage in Oregon report, page 63-64
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁸ Postsecondary Healthcare Education Shortage in Oregon report, page 79
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

⁹ Postsecondary Healthcare Education Shortage in Oregon report, page 82
<https://www.oregon.gov/highered/research/Documents/SLDS/STUDY-PostsecondaryHealthcareEducationShortageInOregonFinal.pdf>

¹⁰ Future of Oregon's Nursing Workforce Report, page 60, <https://oregoncenterfornursing.org/wp-content/uploads/2022/11/Future-of-Oregon-Nursing-Workforce-Analysis-and-Recommendations.pdf>

¹¹ Future of Oregon's Nursing Workforce Report, page 60, <https://oregoncenterfornursing.org/wp-content/uploads/2022/11/Future-of-Oregon-Nursing-Workforce-Analysis-and-Recommendations.pdf>

With multiple recent state-sponsored reports confirming what has been known in the health care system for decades—that there is a nursing faculty shortage in Oregon—it is imperative that the legislature take action to mitigate a continuing nursing workforce crisis in the state.

HB 3324 is modeled after a law that created a nursing educator salary fund through Washington’s State Board for Community and Technical College in 2019. Since that time, of Washington’s 29 colleges with nursing programs, 80% were able to fill nursing faculty vacancies or hire more nursing faculty, 50% of colleges saw an increase in the number of applications for advertised vacancies over the past three years, and colleges reported improved retention of nursing faculty.¹²

Thank you for the opportunity to engage on behalf of our members and the communities they serve.

Thank you,



Andi Easton
Vice President of Government Affairs
Oregon Association of Hospitals and Health Systems

¹² Workforce Education Investment Act, Update on Community and Technical College Investments, Washington State Board for Community and Technical Colleges, September 2022, page 27, <https://www.sbctc.edu/resources/documents/colleges-staff/programs-services/legislative-outreach/weia-report.pdf>