

February 6, 2026

Oregon State Legislature
Joint Committee on Information Management and Technology
900 Court Street NE
Salem, OR 97301
Submitted electronically via OLIS

RE: HB 4055, relating to information security

Co-Chairs Pham and Nathanson and Members of the Committee:

The Hospital Association of Oregon represents Oregon's 60 hospitals. We write to raise a narrow, but important concern with this bill. Although the focus of this bill appears to be on state and local governments, due to the breadth of the definitions, some rural hospitals in Oregon, called "district hospitals" appear to be included within the scope. For that reason, we write today in opposition to HB 4055.

HB 4055 requires "public bodies" to report information security incidents and ransomware incidents to the State Chief Information Officer, among other provisions. While the goal of improving statewide cyber situational awareness is understandable, hospitals operated by health districts are already subject to extensive, mandatory cybersecurity, breach-reporting, and incident-response requirements under state and federal law, including HIPAA, HITECH, and associated federal enforcement regimes.

District hospitals must comply with strict timelines, content requirements, and confidentiality protections when responding to security incidents involving protected health information. These requirements are enforced by federal regulators and are designed to ensure rapid containment, patient notification where required, and protection against further disclosure. Adding the state reporting mandate in HB 4055 creates a real risk of duplicative, inconsistent, or conflicting reporting obligations.

Unlike most public bodies, hospitals operate in a high-risk, life-critical environment where cybersecurity incidents can directly affect patient care, emergency services, and clinical operations. Requiring additional external reporting during an active incident may divert limited technical and clinical resources at precisely the moment when rapid containment and patient safety must take precedence. This concern is

heightened for rural and district hospitals that operate with limited IT staffing and rely on incident response protocols aligned with federal health care standards.

Hospitals were not consulted to discern the impact of this bill on hospital operations and possible complications with HIPAA and other applicable laws related to hospitals. We are requesting a narrow amendment that would exempt health districts, and therefore district hospitals, from the scope of this bill. This exemption would not undermine the bill's overall purpose, as district hospitals are already covered by robust cybersecurity and breach-reporting frameworks.

We propose that Legislative Counsel draft an exclusion for "health districts organized under ORS 440.305 to 440.410," which fall within the definition of "local service districts, as defined in ORS 174.116." The logic should follow that a public body includes local governments, special government bodies, and local service districts except for health districts organized under ORS 440.305 to 440.410.

We thank the committee for considering our request to amend HB 4055 to exempt district hospitals.

Sincerely,

A handwritten signature in blue ink, enclosed in an oval. The signature reads "Tm".

Travis Meuwissen
Director of Government Affairs
Hospital Association of Oregon

About the Hospital Association of Oregon

Founded in 1934, the Hospital Association of Oregon (HAO) is a mission -driven, nonprofit trade association representing Oregon's 60 hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer, more equitable Oregon where all people have access to the high -quality care they need, the hospital association supports Oregon's hospitals so they can support their communities; educates government officials and the public on the state's health landscape, and works collaboratively with policymakers, community based organizations and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.



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