

September 10, 2026

Oregon Department of Consumer and Business Services

Director's Office

P.O. Box 14480

Salem, OR 97309-0405

RE: Public Comment Opposing Proposed 2027 Workers' Compensation Rate Increases

To the Oregon Department of Consumer and Business Services:

I am writing as the owner of a small Oregon plumbing and construction company to express my opposition to the proposed increases in workers' compensation costs for 2027.

I absolutely support protecting employees who are injured on the job and providing appropriate benefits to those workers. My concern is the continued increase and layering of employer-funded costs without enough consideration of the cumulative financial impact on small businesses.

Employers like us are already facing increasing wages, health insurance costs, workers' compensation premiums, payroll taxes, required benefits, vehicle and fuel costs, materials, licensing, and numerous other expenses associated with employing skilled workers in Oregon. A 2.1% increase in the pure premium rate, combined with an increase in the Workers' Benefit Fund assessment and the addition of the new BOLI Expenses Fund component, may appear relatively small when each item is viewed separately. For a small employer, however, these costs do not exist separately. They accumulate.

In the plumbing industry, we are also facing a significant shortage of licensed skilled workers. We need to offer competitive wages and benefits to attract and retain qualified plumbers while continuing to train apprentices who will become Oregon's future workforce. Every additional employment cost makes those decisions more difficult.

There is also a misconception that businesses can simply absorb these increases. We cannot. Ultimately, increased labor costs have to be accounted for somewhere. They can result in higher prices for homeowners and contractors, reduced hiring, fewer opportunities for apprentices, delayed wage increases, or reduced investment back into the business.

My company wants to pay our employees well. We want to provide health insurance, retirement benefits, paid time off, safe working conditions, and opportunities for employees to advance. Those are investments I would much rather make directly in my employees. But the more mandatory costs that are added to every hour of payroll, the less flexibility small employers have to make those investments ourselves.

I am particularly concerned about the continued creation of additional assessments and employer-funded programs. Before increasing rates or adding new components, I believe the state should demonstrate that existing programs are operating efficiently, that additional revenue is truly necessary, and that alternatives with less impact on small employers have been fully considered.

I respectfully ask DCBS to reconsider the proposed 2027 increases and to evaluate these changes based on the total cost of employing a worker in Oregon, rather than evaluating each assessment or rate increase in isolation.

Oregon needs skilled tradespeople, apprenticeships, and small contractors willing to employ and train them. State policy should make it easier for responsible employers to create good-paying jobs, not continually increase the cost of doing so.

Thank you for considering the perspective of Oregon's small employers.

ALLSCOPE PLUMBING & CONSTRUCTION, INC.

Where integrity and precision meet.

CCB #231498 | PB #2440 | 503-796-1113 | allscopeplumbinginc.com

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line that extends to the right.

Sharona Hollenbach

Owner

Allscope Plumbing & Construction, Inc.

Oregon