

Representative Doherty- Chair of Business and Labor Representative Barton – Vice-Chair of Business and Labor Representative Kennemer – Vice-Chair of Business and Labor And all Committee Members:

I have attached a Coalition letter to this email for your review. I agree with all the points made in this document and would like to highlight a few points and give a real life example.

Most employers that can afford paid sick leave already provide it. Those who are not providing it are not purposely passing up an opportunity to enhance benefits – it's financially impossible for them to do so.

The timing of this bill is poor. The economy is still struggling, and adding additional costs to small business is not sound economics. I would also add that those businesses that provide it, as we do, also have an additional expense. We provide paid time off after 1 year of employment. This bill would require paid sick leave after 90 days.

In Portland, we have increased water and sewer Rates; permit fees; the Fat, Oils and Grease fee to restaurants etc., Now we have paid sick leave. Our expenses through fees and mandated regulations keep increasing, especially in the last 3 years, as the economy has been going down. I have been told by public employees "Business can just increase prices". That is just not TRUE.

I am the Chair for the Small Business Advisory Council for the City of Portland. We had the Chief of Staff for Amanda Fritz come and discuss paid sick leave with our group. We had a small business owner that has a boutique in Portland (she has left our group since Portland voted paid sick leave in because she felt they do not listen). She struggles with trying to compete with on-line retailers like amazon and the big Stores. She stated in a VERY HEARTFELT that she would be the first to provide paid sick leave for her employees, but she absolutely cannot afford it. She further explained that she has 6 employees, 5 full-time and 1 part-time. The part-time employee fills in for the other employees when they need time off OR are sick. With the mandate being any business with 6 or more employees, she will need to layoff the part-time employee so that she is at 5 employees. Small business owners across the state will be forced to cut jobs in order to survive.

I appreciate your time.

Sincerely,

Steve Ferree

Mr. Rooter Plumbing

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MEASURE: HB 3390  
EXHIBIT: 43  
H BUSINESS & LABOR  
DATE: 4.3.2013 PAGES: 3  
SUBMITTED BY: Steve Ferree





## Oregon Concrete & Aggregate Producers Association

April 3, 2013

House Business and Labor Committee

Re: HB 3390 Mandated Paid Sick Leave

According to the Small Business Administration's latest statistics, small business employers in Oregon make up 97.6% of all employers and employ 55.5% of the private-sector job force. About 77,000 Oregon small business employers have less than 20 employees and combined employ 310,000 workers. It is evident that Oregon is a small business state and our economy is dependent upon our small business sector.

For years Oregon has remained above the national unemployment rate. Although our minimum wage is the second highest in the nation, our income per capita is lower than the national average and lower than our neighboring states of Washington and Idaho. Our personal and corporate tax rates are high compared to most states and our small businesses do not enjoy the tax certainty that select big businesses do.

HB 3390 is a small business issue. The adverse impact this bill would have on Oregon's small business community cannot be overstated.

Some key points on this issue:

- We remain in the midst of a challenging and lengthy recession recovery with many small businesses still financially struggling to maintain their work force and keep their doors open.
- Many small businesses cannot absorb this additional mandate without making significant adjustments such as not hiring or making capital improvements or worse yet terminating employees or closing their doors.
- A study done on the potential impact of Paid Sick Leave legislation in Colorado estimated a job loss of 14,000 between 2012 and 2016. Oregon cannot afford additional job losses.
- Small businesses currently pay about 18% more in health insurance costs than big business.
- Most provisions of the Affordable Health Care Act commence in 2014 creating an estimated 38% or more increase in health insurance costs on small businesses along with administrative burdens and regulatory and other cost uncertainties. These same provisions do not affect big businesses that self insure.
- Most employers that can afford paid sick leave provide it. This is another example of the "one size fits all" approach that is punitive to small businesses.

Small businesses cannot afford mandated paid sick leave. Oregon's economic future cannot afford mandated paid sick leave.

As a coalition representing thousands of small businesses throughout Oregon we oppose HB 3390 and ask that you do not move it forward.

