



Testimony on House Bill 2977

Robert Knight, OSA President

Good afternoon, Chair Johnson and Vice Chair Jenson and Members of the Committee. My name is Robert Knight and I currently serve as the President of the Oregon Staffing Association (OSA). The OSA represents Oregon's temporary staffing industry, an industry that generated a payroll of more than \$783 million in 2011 (according to the federal Fiscal Office). As a result, you can see that our members fill a critical and significant role in helping Oregonians find work and generating payroll and other taxes for the state and local governments.

I am also a business partner and owner of an Express Professionals franchise office in Tualatin. Express is an Oregon based corporation that maintains its headquarters in Tualatin, Oregon, and is owned and operated by Mr. Bill Stoller. The Stoller Group is one of the few national corporations that still operate out of Oregon. Bill Stoller is a committed Oregonian who also owns Stoller Vineyards in Yamhill County and is proud of his work in this state.

I am here today on behalf of the OSA and all the staffing agencies in Oregon to ask you not to fund HB 2977 due to its misguided objectives. As we have testified in the House Committee on Business and Labor, we understand and detest the practice of wage abuse and would like to eliminate it in Oregon. However, legislation like HB 2977 does not address the underlying problem of the cause and opportunity for wage abuse and hence should not be implemented as it will become another government agency program not suited to address the problem.

Just by way of example, the responsibilities assigned to the Commissioner of the Bureau of Labor and Industry in HB 2977 are regulatory tasks already being performed by other agencies. At this time, staffing agencies currently register with DCBS, Workers Compensation Board, the Department of Revenue, and the Secretary of State's office. Why are we creating duplicative responsibilities and assigning them to BOLI, an agency that is already overloaded and seeking more funding?

Construction worker and companies that perform construction work already report to the Construction Contractors Board and this is managed quite well. What is the purpose of having some of them report to yet another agency, in addition to the CCB? Why are all construction contractors being asked to report to the same agencies? This duplication of services is what drives up the cost of government and the cost of doing business in Oregon.

Of everyone who spends any time in this Capitol, you members probably know better than most the dire circumstances of the budget as it now stands. Creating new assignments and new regulations that will require additional funding is irresponsible at this time and certainly is not very good management. We should focus on the priorities that have already been identified; funding schools and social services that are needed by the most vulnerable Oregonians.

Obviously you have realized that HB 2977 also contains an emergency clause, which makes this matter even worse. While the proponents claim HB 2977 will be self-funded, implementing this program immediately upon being signed will need immediate cash to operate the regulatory requirements. In fact, the precise cost has not even been identified by the Fiscal Office because the financial needs are indeterminable.

This is not the time to begin creating new divisions or regulatory responsibilities in state departments. Oregon is still working its way back from the recession. I know this because businesses like mine find jobs for people who still cannot otherwise find work. We should work together to help put these Oregonians back to work and HB 2977 does not support that need.

On behalf of the OSA and all the Oregonians still trying to find work, I urge you to not fund HB 2977 but to focus on the priorities that you have already identified.