

## Oregon

February 11, 2014

SENATE HEALTH CARE AND HUMAN SERVICES COMMITTEE

RE: SB 1543 - Relating to employee health care coverage based on hours worked

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Representing 7,500 small business members located throughout the state of Oregon, **NFIB is opposed to SB 1543.**

This bill is very troublesome to small business owners. Most notable is the entirety of Sections 2. and 3. that create the following provisions:

- For an *alleged* violation the “employer has the burden to establish” that the reduction of employee hours were in compliance.
- Alleged complaints may be filed with BOLI who may enforce the statute as an “unlawful employment practice”.
- Alleged violation subjects the employer to civil remedies and penalties as well.
- “Any person claiming to be aggrieved . . . may file a civil action in circuit court.”

The remedies within the bill are egregious such “injunctive relief and other equitable relief”, “not limited to reinstatement or the hiring of employees with or without back pay.” This may include back pay up to two years preceding the filing of complaint. Also, the court may award additional relief.

This piece of legislation has the potential to put many small business owners out of business resulting from an *alleged* claim requiring the employer to seek legal representation and expense to fulfill the burden of establishing compliance with the law. For most, a part-time job is preferable to no job if the employer is forced to close his doors.

Further this is viewed by the small business owner as significant over-reach by government into the daily affairs and management of their private enterprise. It is the owner, not government, that should decide the appropriate hours for an employee to work in order to create and maintain a viable business. This legislation potentially creates an umbrella of threat upon the employer that “every employee is a lawsuit waiting to happen”.

We are in the midst of a tumultuous time for small business employers with the implementation of the Affordable Care Act. The rules seem to be in a continuous state of change. Our small business owners are trying to navigate these stormy waters while trying to stay viable and care for their employees. This bill would have the effect of aggravating this challenge. This bill is not good for the employer. It is not good for the employee. It is not good for Oregon.

### **NFIB IS OPPOSED TO SB 1543**