



497 SW Century Drive
Suite 102
Bend, OR 97702
PH: 541•330•6400
Fax: 541•330•7362
homeinsteadbend.com
hisc212.digbro.com

Oregon SB 136 Testimony
Senate Business & Labor Committee Hearing
February 4, 2015

Good afternoon Senator Beyer and members of the Committee, my name is Lori Sensenbach and my husband and I are owners of a Home Instead Senior Care franchise in Bend, OR. I am here to express our support for Senate Bill 136. This legislation will go a long way in securing Oregon's friendly business climate to franchising, a vital part of Oregon's and the nation's economy.

We believe the two most common American dreams are to own your own home and to own your own business. These are two of our dreams. Franchising allows many people to fulfill this dream because it creates a business model that a person can purchase into. It addresses a lot of the details of creating a business and allows the owner to move more quickly into a mode of operation. We have owned and operated our franchise for over six years and employ over 100 people. Our franchise provides in home care to over 100 households in Oregon. Our parent company, Home Instead Senior Care specializes in providing in home care for seniors. We are committed to providing the highest quality care and services custom tailored to each family's needs. We take great pride in helping families restore balance, order and peace to their lives and helping seniors remain in the comfort of their homes.

I am here today to ask for your support of S.B. 136, which would clarify that franchise small business owners are not employees of their franchisor. Franchising is a popular way of owning a small business while leveraging the strengths of national brands to build local economic activity and create jobs, and we feel that this legislation would better allow franchise owners to do just that.

Franchisees are widely understood to not be employees, since they independently operate their business on a day-to-day basis. My husband and I make all of the hiring decisions and we choose every vendor that supplies goods and services to our business. We set our pricing based on research we conduct of our market. We process our payrolls and administer our benefits. We choose how we promote our company to our community. We decide which non-profit organizations we will support financially each year. We assume responsibility for maintaining State licensing compliance, and audit ourselves frequently to assure continued compliance with regulations. We assume all legal and financial responsibility for our business. Franchisors, on the other hand, provide support to franchisees only so that they may protect the brand that all franchisees operate under. Home Instead, Inc. actually has very few "standards" that we must meet such as using certain marketing materials and providing an employee training curriculum that sets us apart from the competition.

However, in some instances, there has been confusion leading to franchisees being considered employees. As a result, many business owners may be denied small business loans or be subject to any number of negative impacts of being considered an employee, the most important being that they will not be considered to be owners of their own small businesses. SB 136 is simply an effort to clarify existing Oregon law and ensure franchisees are not considered to be employees of their franchisor.

As representatives of franchisees throughout Oregon, we urge you to support this legislation to clarify the independent status of franchise owners. We cannot allow ourselves and other small business owners to face legal uncertainty, which only hurts their operations and the overall success of the Oregon economy.

Thank you very much for your time and consideration.

Lori Sensenbach
Franchise Owner