

My name is Dennis Morgan. My wife and I control the majority of stock of a small business in Eugene Oregon. We currently employ 21 full time employees and 1 part time employee. We offer a comprehensive benefits package to all of our full time employees and paid time off to our part time employee.

If the state is going to step into the complicated area of employee benefits, i.e. sick leave or paid time off, I would urge the committee amend HB 2005 and SB 454 in several areas.

1. Add additional language for preemption of local ordinance affecting employee compensation and benefits. Employers and employees need a single set of minimum wage and benefit laws. Having possibly different ordinances from Oregon's 241 cities and 36 counties would be anarchy for employers and job creation.
2. Add additional language defining employee compensation and benefits that local jurisdictions are preempted from setting by ordinance.
3. Modify the definition of employer to match that of the Oregon Family Medical Leave Act (ORS 659A.153 (1)).
4. Modify the definition of employee to match that of the Oregon Family Medical Leave Act (ORS 659A.165).
5. Clean up Section 11 to make it so that essentially any collective bargaining agreement that address sick leave or paid time off in any manner make those employees exempt from the bill. Union members need to be able to negotiate their benefit packages with minimum interference from the government.
6. Eliminate paragraph 9 of Section 3. This paragraph is in conflict with the impairment clause of the Oregon Constitution and the concept incorporated in the bill that sick leave is not payable upon termination. Because a new business owner usually has a new EIN identification the old employer terminates the employees and a new employer hires some, all or none of the old employees. Also, usually the assets of a business are bought and sold.
7. Change the total hours accrued from 56 to 40 hours or one standard work week.
8. Change the number of days and employee has to have worked from 90 days to 180 days. This matches the Oregon Family Medical Leave Act. This also eliminates employer issues with temporary fill in workers or summer jobs.
9. Change the accrual rate from 1 hour for 30 hours worked to 1 hour for 52 hours worked. If the bill was modified to a PTO bill this change would essentially give a week of Paid Time Off for working for a year.
10. Changed this from a sick leave issue to a paid time off bill.
  - a. IF you make this a PTO bill you can delete Sections 6 and 8 and Section 2 paragraph 3.
11. Add a new Section to ensure paid time off as being excluded from workers compensation premiums in ORS 656.005(2).
12. Eliminate the maximum 10 days' notice limitation from Section 7 paragraph 3 (a).

Rep. Olson has language at LC amends HB 2005 to reflect points 1 thru 9 above. Also Rep. Olson has languages at LC for a new bill that creates the requirement for Paid Time Off rather the sick leave.