



February 18, 2015

The Albany Area Chamber of Commerce (AACC)
Position on Mandatory Paid Sick Leave, House Bill 2005/Senate Bill 454

The Albany Area Chamber represents approximately 600 members representing over 19,000 employees. Established in 1904, the AACC is committed to creating a strong local economy that encourages business and job growth in the Albany area. Over 80% of Albany area businesses are small businesses, businesses that need your support to succeed, not hindrance.

The AACC's Governmental Affairs Committee has had many discussions regarding the proposals to mandated paid sick leave and we strongly oppose these bills and their negative impact, especially on small businesses for the following reasons:

- If implemented HB 2005/SB 454 will essentially place a new payroll tax liability on the majority of businesses in Oregon. Small businesses that are working every day to compete with large businesses and out of state/international companies.
- If implemented HB 2005/SB 454 will place the entire financial burden for the mandated program on the backs of business owners, most of who cannot afford this extra cost.
- If implemented HB 2005/SB 454 will force our smallest businesses to look at other ways to decrease costs and benefits that many employees now enjoy and prefer such as: reducing employee numbers, profit sharing, paid holidays, employer paid health benefits, bonuses, etc.
- If implemented HB 2005/SB 454 does not require the employee to have any investment in their job since there is not minimum number of hours/days they have to work before becoming eligible for this new and expensive benefit.
- If implemented HB 2005/SB 454 will take away the rights of business owners to manage and run their organizations and offer benefits that are in line with the marketplace.

On behalf of the AACC I ask you to help small businesses succeed, support a growing economy and strong communities by not imposing this additional burden on businesses and their employees.

Sincerely,


Janet Steele

President



Position on Proposed Legislation Regarding HB 2005 & SB 454

**Dear Senator Kruse
Senator Roblan
Representative Krieger
Representative McKeown**

This letter is in reference to HB 2005 and SB 454. The Bay Area Chamber of Commerce, which represents over 600 businesses in Southwest Oregon, has evaluated these bill strongly OPPOSES the paid sick leave mandates in both for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. A one hour paid leave benefit per 30 hours worked translates into an additional 3.3% payroll liability. This new liability will be yet another hurdle for small business to compete with large business.
2. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.
3. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community. Thank you for consideration of our position.

If you have any questions about the Bay Area Chamber's position on this or other bills, please feel free to contact me at the number below.

Sincerely,

**Rick Skinner
President**

Bay Area Chamber of Commerce
145 Central Avenue
Coos Bay, Oregon 97420
541-266-0868



Date: February 16, 2015

To: Senate Workforce Committee Members
House Business and Labor Committee Members

From: Bill Perry
Oregon Restaurant & Lodging Association

Subject: Testimony on Mandatory Paid Sick Leave – SB 454 & HB 2005

Chair Dembrow, Chair Holvey and Committee Members,

Not the right time or the right benefit. Even though we are starting to pull out of the recession, this is not the right time to propose additional requirements to businesses attempting to hire new employees, and paid sick leave is not the right benefit to offer. We are still lagging behind the country in employment rates. When asked, paid sick leave is not one of the top benefit choices requested by employees. Instead, employees prefer wage increases, health care, and paid vacation. Therefore, employers that have the ability to provide increased benefits consider these alternatives instead of paid sick leave. Unfortunately, many business owners are struggling to provide these benefits in this difficult transition in the economy.

Benefit package changes looming large. In addition, the biggest change to employee benefit plans is looming large. The Affordable Health Care Act requires employers to offer health care, and if they do not or if employees choose not to accept the benefit, employers will face fines. Group insurance rates are increasing and small employer plans are becoming less viable in the marketplace. No one can say for sure what the true impact of the AHCA will be on small businesses, many of which are fighting to stay afloat financially.

Shift trading is vital to our industry. The practice of shift trading is one of the most vital policies in the foodservice and hospitality industry. Shift trading allows employees to take days off, for illness or personal reasons, and still earn the tips they highly rely on. Shift trading is also key because the law does not allow sick employees to work in restaurants. If ill, employees stay home and make arrangements to trade shifts or pick up additional shifts when they are healthy again. This longstanding practice allows workers to retain their income and protects the public as well. As currently written, these bills allow a version of shift trading, but there are qualifiers on the language and it also can be seen as a conflict with the section that prevents employees from finding replacement workers.

ORLA requests revisions to the proposed bills. The recently-enacted sick leave ordinance in Seattle does not require benefits to be paid until 180 calendar days after employment begins. And while many employee benefit packages do not commence until a worker has been on the job for a year, we are not asking for such a lengthy waiting period. We request that if a paid sick leave bill moves, please consider the follow changes:

1. Not every worker works 8 hour shifts, so please change the section that discusses if the employee misses 24 hours of work to if the employee misses three shifts; or
2. Change the payment of benefits to **180** calendar days of employment, unless the employer allows use at an earlier time.
3. Take the pay period reference out of the shift trading portion of the bill.
4. Preempt local governments from creating uncertainty in the labor force; the processes in Portland and Eugene were not productive, in our opinion.

Again, our industry appreciates the inclusion of language in the ordinance that allows shift trading without qualifiers. We can't emphasize enough how critical this is to employees who gain a substantial portion of their income directly from the consumer through tips.

While we understand the overall intent of this proposal, many in our industry believe this ordinance will lead to a reduction in hours, and in the elimination of other benefits employees may actually desire more than paid sick leave. Let employers find solutions that work for their employees. I think you will hear from employers across the state and in all different industries that sick leave is the most abused benefit they have, which is why many employers have tried alternatives to sick leave policies. Oregon has a very diverse business culture, and this proposal affects so many in different ways. With health care mandates, automatically adjusted wage increases, and now paid sick leave, there will most certainly be job losses. The important question is how many hours will be lost?

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bill Perry', written in a cursive style.

Bill Perry
Oregon Restaurant & Lodging Association

Dear Mr. Germer

I farm 135 acres of Raspberries, Marionberries, Blackberries and Blueberries on Sauvie Island.

The main idea that I would try to convey is that it costs me over \$ 100.00 per day for each of my employees when my competitors in Chile are paying \$ 15.00 per day and my competitors in Mexico are paying \$ 5.00 per day. The buyers say it's cheaper to buy from Chile and Americans don't care where there food comes from, so I can match the Chile price or keep my fruit. What do I do?

You see, we compete in a world market and everything the State of Oregon, or the Federal Government does, burdens us with more and more unfunded mandates that make us less competitive in world markets. So now I have fewer employees and since there is not enough income after all my employment costs are met, I end up not getting paid anything for my family for all the work that I do on the farm. That's why, like most farmers in this country I have to work off the farm to support my family. That's also why none of my four sons want to farm and the average age of the American farmer is approaching 60. That's also why more farmland is taken out of production.

I could go on and on, but the bottom line is that we farmers don't make enough to subsidize all the wonderful benefits that you would like to see employees entitled to. I have workers asking for work and there is plenty for them to do, but at the high costs that Oregon requires me to pay, I have to limit the number that I can hire. It may seem great to mandate more benefits for employees, but the hidden costs are fewer jobs and farms that produce less food.

Thank you;
Brian Parson
Parson Berry Farm



February 16, 2015

The Chehalem Valley Chamber of Commerce

Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

The Chehalem Valley Chamber of Commerce represents over 400 businesses in Newberg, Dundee and the surrounding area. We are Yamhill County's largest business organization.

The Chehalem Valley Chamber of Commerce opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates.
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
3. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.
4. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

Sincerely,

A handwritten signature in black ink that reads "Sheryl Kelsh".

Sheryl Kelsh
President/CEO
Chehalem Valley Chamber of Commerce

115 NORTH COLLEGE STREET, NEWBERG, OREGON 97132
P 503-538-2014 F 503-538-2463
WWW.CHEHALEMVALLEY.ORG



THE DALLES AREA
CHAMBER OF COMMERCE
The Dalles...Simply Sensational.

February 20, 2015

The Dalles Area Chamber of Commerce (TDACC)

Position on Compulsory Paid Sick Leave – House Bill 2005 / Senate Bill 454

The TDACC has been in existence since 1883. To date we represent 433 businesses with over 6400 employees. As such, we ask ourselves one central question when determining our position on proposed legislation:

“Will this (enter house/senate bill here) strengthen or hinder the ability of the private sector to grow and create jobs for area residents?”

The TDACC opposes HB 2005 / SB 454 for the following reasons:

- HB 2005 / SB 454 quietly nullify the fundamental and historical responsibility and right of a business owner to run their organization and to offer the benefits they can afford commensurate with the human resource forces in the marketplace
- HB 2005 / SB 454 would place the entire burden of program cost on the business owner, many of whom do not offer sick leave benefits simply as a matter of affordability
- HB 2005 / SB 454 unfairly target our smallest, most vulnerable business members by requiring that all businesses provide the benefit, regardless of the number of employees
- HB 2005 / SB 454 do not require any employee “investment” in their job or with their current employer, or specify that any employee must meet a minimum employment duration threshold before becoming eligible for the benefit
- HB 2005 / SB 454 will in many cases force business owners to cut other costs in order to pay for the benefit, including payroll, vacation or PTO, and potentially layoffs and hiring freezes.
- HB 2005 / SB 454 is written without reasonable, real time checks and balances that would allow a business owner to ensure that potentially costly benefits requests are legitimate before labor and productivity losses are incurred.

We realize that Compulsory Sick Leave remains a priority policy issue for many serving as part of the 2015 Legislative Assembly. The Dalles Chamber would reconsider its decision to oppose HB 2005 / SB 454 if the points outlined above are addressed with amendments.

Sincerely,

President / CEO

The Dalles Area Chamber of Commerce



CHAMBER of COMMERCE
HERMISTON
Oregon

Chamber President/CEO
Debbie Pedro

Chairman of the Board
Joseph Franell
Eastern Oregon Telecom

Executive Board
Joe Basile
Calpine
Paul Keeler
Eastern Oregon Telecom
Phil Hamm
*OSU Hermiston Ag Research
& Extension Center*

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PGG
Jason Edmiston
Hermiston Police Dept.
Randy Randall
Preferred Realty Inc
Shirley Parsons
American West Properties
Joseph Basile
Calpine, Inc
Jesse Torres
Country Financial

Hermiston Chamber of Commerce
415 S. Hwy 395
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Hermiston, OR 97838
541-567-6151 Fax:541-564-9109
hermistonchamber.com

February 18, 2015

The Greater Hermiston Chamber of Commerce
Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

The Greater Hermiston Chamber of Commerce mission is to protect the basic principles on which free market enterprise was established.

We oppose mandatory paid sick leave because our members have developed their own benefits packages and leave policies that take into account their own unique industries, their unique company needs, the needs of their employees, and what they can afford. Companies across our community are solving their own personnel issues in ways that fit the needs of the company and the employee.

Government intervention is not needed, nor is it desirable because it limits the creative ways in which companies solve their leave issues for the benefit of both the company and the employees.

The worst – and most likely – outcome stemming from a mandatory paid sick leave proposal is that the cost of the state mandate will crowd out the other benefits currently offered by a local employer that employees actually prefer. Benefits such as bonuses, profit sharing, paid holidays, or employer-paid health benefits are all going to be re-evaluated as small businesses look to cover the cost of the state mandate.

Please resist the urge to mandate a paid sick leave benefit. You will find that such a mandate is not only not good for employers, but not good for employees, either, as other more desirable benefits are scaled back or replaced altogether to pay for the mandate.

Sincerely,

Joseph Franell
Hermiston Chamber of Commerce Chairman



February 19, 2015

Dear House Chair Holvey & Senate Chair Dembrow,

Re: Mandatory Paid Sick Leave – HB 2005 / SB 454

The Tualatin Chamber of Commerce opposes the adoption of a mandatory paid sick leave policy for all Oregon employers. While the mandate is undoubtedly well-intentioned in theory, the practical effects of the mandate will likely be a decrease in employer-provided, discretionary employee benefits and an increase in costs to all businesses, especially small businesses.

One universal truth is that employers do not have an infinite supply of resources. If the State is going to mandate the addition of one type of benefit, then it follows that discretionary benefits currently offered by employers will be reduced or eliminated. Benefits such as bonuses, profit sharing, paid holidays, or employer-paid health benefits come from the finite resources available to employers. Each of those discretionary benefits is going to be re-evaluated as businesses look to cover the cost of the paid sick leave mandate, including the significant cost of hiring, training and paying temporary workers to cover both anticipated and unanticipated absences by regular employees.

Another likely outcome stemming from the adoption of a mandatory paid sick leave policy is that employees will take more sick days. If more employees take more sick days, then employers will need a contingency plan to cover for the lost productivity occasioned by increased employee absences – up to fifty-six hours per year per employee. Most employers, and especially small businesses, run lean operations that cannot accommodate fifty-six hours of employee absences per year, let alone when the employee is not required to give advance notice of an absence and still earns pay while absent. If an employer has to hire and train a temporary worker to cover for the paid absences of regular employees, then the employer gets reduced productivity and increased overall costs - all resulting in a loss of profitability. If profits are reduced, then discretionary spending must be reduced and both employees and the overall economy will be negatively affected by decreased discretionary spending by business.

For the above reasons, we ask that you please oppose HB 2005 and SB 454.

Sincerely,

A handwritten signature in blue ink that reads 'Linda Moholt'.

Linda Moholt, CEO, IOM
linda@tualatinchamber.com

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WILSONVILLE

AREA CHAMBER OF COMMERCE

A South Metro Business Advocate

February 19, 2015

The Wilsonville Area Chamber of Commerce (WACC) has taken a strong position of opposing the compulsory paid sick leave consistent with the position of the Oregon State Chamber of Commerce.

The WACC opposes HB 2005 / SB 454 for the following reasons:

- HB 2005 / SB 454 quietly nullify the fundamental and historical responsibility and right of a business owner to run their organization and to offer the benefits they can afford commensurate with the human resource forces in the marketplace
- HB 2005 / SB 454 would place the entire burden of program cost on the business owner, many of whom do not offer sick leave benefits simply as a matter of affordability
- HB 2005 / SB 454 unfairly target our smallest, most vulnerable business members by requiring that all businesses provide the benefit, regardless of the number of employees
- HB 2005 / SB 454 do not require any employee "investment" in their job or with their current employer, or specify that any employee must meet a minimum employment duration threshold before becoming eligible for the benefit
- HB 2005 / SB 454 will in many cases force business owners to cut other costs in order to pay for the benefit, including payroll, vacation or PTO, and potentially layoffs and hiring freezes.
- HB 2005 / SB 454 is written without reasonable, real time checks and balances that would allow a business owner to ensure that potentially costly benefits requests are legitimate before labor and productivity losses are incurred.

Our chamber would like to see local business, economic and income growth before we consider business mandates like the paid sick leave mandate imposed by HB 2005 and SB 454.

Sincerely,



Steve Gilmore, IOM
Chief Executive Officer

It is not fair to all the union workers and others who have negotiated and gave up other things in their benefit packages to get sick pay for themselves. Now you want to give it to everyone that has not had to bargain or what ever for them. It is not fair as we get nothing out of it except to have to pay more in taxes and goods. Also sick pay is abused almost universally.

David Silbernagel



February 20, 2015

The Baker County Chamber of Commerce
Position on Mandatory Paid Sick Leave –
House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

Baker County Chamber of Commerce represents a portion of rural Eastern Oregon dependent on small business development and growth as well as agriculture and ranching. Baker County's recession recovery has been very slow. Business owners are weary and are having a hard time predicting if or when we can get back to advancing our businesses and our community.

The Baker County Chamber of Commerce opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates.
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
3. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.
4. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

Sincerely,

Debi Bainter
Executive Director

February 16, 2015

Dear Senator Dembrow & Representative Holvey

I own a small business in Coos Bay. I have, including my wife and I, 7 employees. We now offer a weeks paid vacation to each employee. If Mandated sick leave becomes law we will not be able offer both vacation and sick leave so we will have to eliminate paid vacations. Our business, like most small businesses, look after our people and already cover sick days and family emergencies with some type of compensation. This usually means the owners work more hours so payroll costs remain static. With mandated sick leave we would be required to pay for non productive time, and I believe would lead to abuse by the employee. The "use it or lose it" syndrome. As a business owner I know that my most valuable asset are my employees and I do all that I can to keep them happy. Most of us do. A mandated sick leave law would just further divide labor and management. Please do all you can to make sure that small business retains some control over payroll costs. Thank You,

Dick Leshley, Owner, Yellow Cab Taxi, Coos Bay, Or.

Statewide Paid Sick Leave Law

Dari-Mart Stores Inc. operates 45 convenience stores in 3 counties. There are approx. 500 employees of which 420 of those employees are hourly store clerks.

Dari-Mart strongly objects to this law and the hardship it will force onto our company. The most severe impact of this law, paying the absent employee and the clerk that must work to fill the absence. Realistically if you “give” it will be taken; implementation of an act like this one will be abused by the hourly clerk. This will increase payroll two fold and create extreme hardship on our managers to find replacement workers.

Currently the City of Eugene has implemented an ordinance that is already creating a hardship on our companies even though our headquarters resides outside of Eugene; it is being forced on us to adhere to this ordinance because we do have stores in Eugene as well as delivery people that deliver to Eugene.

Eugene and the State of Oregon are implementing procedures that are going to force business to close down, move out, and relocate out of state. Is this the true purpose of these laws? I must say it seems to be because with what the State of Oregon has done in the past year and is proposing to implement this year is appalling. First the legalization of marijuana – eliminates the ability for a company to hire with a zero tolerance drug and alcohol policy, the minimum wage increase to 12.20 and/or 15.00 per hour. You are driving business right out of business.

The minimum wage increase included with this sick leave law will create a future for Oregon that will force businesses to increase prices to the extent that our products could potentially double in price. This is ridiculous, this law does not strengthen the people of this state, it does not strengthen business people to feel secure in owning and operating a family business, it does not help with health care of employees; those that say it does are not realistic. It forces business to pay people to not work.

The facts: Implementation of 56 hours of paid sick leave for all employees would increase our payroll by \$300 thousand annually. Increasing the minimum wage to \$15.00 per hour would increase our payroll by more than \$2.8 million annually. These two changes in combination would create an additional payroll expense for all Dari-Mart that is 3-times greater than our best single year corporate net profit in the last 10 years. This is “guaranteed proof” that the price for goods will increase substantially in order to support this law.

Summary: We are opposed to this law as the impact is too costly to the business and the people of the State of Oregon.

Regards,

Earline Rust SPHR
HR Director
Dari-Mart Stores Inc.



February 17, 2015

Dear House Chair Holvey & Senate Chair Dembrow,

RE: The Grants Pass & Josephine County Chamber of Commerce (GPCOC) Position on Mandatory Paid Sick Leave – HB 2005 / SB 454

The GPCOC has been in existence since 1924 to protect the basic principles on which free market enterprise was established. As such, we ask ourselves one essential question when determining our position on proposed legislation: “Will HB 2005 / SB 454 strengthen or hinder the ability of the private sector to grow and create jobs for area residents?”

The GPCOC opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

- HB 2005 / SB 454 represent a new payroll tax on small business with as few as one employee. Local small business trying to compete with larger businesses and out of state firms is put at a competitive disadvantage when they are saddled with such mandates
- HB 2005 / SB 454 represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee
- HB 2005 / SB 454 will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit
- HB 2005 / SB 454 do not require any employee “investment” in their job or with their current employer, or specify that any employee must meet a minimum employment duration threshold before becoming eligible for the benefit
- HB 2005 / SB 454 would place the entire burden of program cost on the business owner, many of whom do not offer sick leave benefits simply as a matter of affordability
- HB 2005 / SB 454 unfairly target our smallest, most vulnerable business members by requiring that all businesses provide the benefit, regardless of the number of employees

Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Sincerely,

Colene Martin
President/CEO Grants Pass & Josephine County Chamber of Commerce



February 19, 2015

The Gresham Area Chamber of Commerce and Visitors Center

Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow:

The Gresham Area Chamber of Commerce and Visitors Center is a chamber of 500 members serving the 110,000 residents, and businesses, within the City of Gresham, Oregon. This chamber consists of many small businesses having less than 25 employees. The Gresham chamber has been representing our business community, advancing the local economy, and promoting the community since 1931.

The Gresham Area Chamber of Commerce is the region's voice for business, advocating for its members at all levels of government. We add value to our business community and to the community at large by advocating policy initiatives that are critical to economic growth, job creation, job security and business-friendly policies.

The Gresham Chamber of Commerce opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small businesses, trying to compete with larger businesses and out of state firms, are put at a competitive disadvantage when they are saddled with such mandates. One hour of paid leave translates into an additional 3.3 % payroll liability. Many of our businesses already pay on average about 3% of payroll in unemployment taxes. These bills are comparable to a second unemployment tax paid for by small business
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.

3. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.
4. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

Sincerely,

A handwritten signature in cursive script that reads "Bob McDonald". The signature is written in black ink and includes a long horizontal flourish at the end.

Bob McDonald

Executive Director

Gresham Area Chamber of Commerce and Visitors Center

February 18, 2015

Dear Senator/ Representative,

I am writing to express my concern over HB 2005 and SB 454 mandating paid sick leave.

We are a small local donut shop in our fragile first year of business. Forcing us to offer paid sick leave very well might cause us to close our doors altogether. This plan hurts small mom and pop businesses and their employees the most.

We agree the intent is right and employees should be able to take time off when they are sick. We also believe paying them is the right thing to do, but that should be our choice not mandated by law.

HB 2005 and SB 454 - "Paid Sick Leave" is not the answer for small business.

Sincerely,

Gwenn Levine, Manager
Sweetheart Donuts, LLC
PO Box 7196
Bend, OR 97708
(541) 323-3788



6075 Ulali Drive, Suite # 102
Keizer, Oregon 97303
www.keizerchamber.com

February 16, 2015

**SUBJECT: Keizer Chamber of Commerce Opposes Mandatory Paid Sick Leave –
House Bill 2005 / Senate Bill 454**

Dear Senate Chair Dembrow and House Chair Holvey;

Our Keizer Chamber of Commerce represents 380 members, who employ 15,000 family-wage earners in the mid-Willamette Valley region. We are the local body shops, beauty shops, family-owned restaurants, garages, newspapers, health care providers, sign-makers, attorneys, and countless other small businesses who pride themselves on being competitive and keeping people working.

We oppose any mandates to paid sick leave provided for in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates.
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
3. Our members, as employers, exercise flexible leave policies, relying on compassion for the employee's health and home-care situations. Mandating a fixed benefit for employees would create an HR standard which would have less value for the employee than they enjoy now.
4. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit. We have established strong trust relationships with our most valued

assets – our employees. Artificially prioritizing sick leave will break that trust relationship.

5. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Keizer and the Salem area region business are still struggling to regain lost ground in this last recession. We need opportunities for growth, improved benefits for our employees, and for financial stability. HB 2005 and SB 454 are bills which threaten our abilities to increase the number of our employees and their compensation/benefits.

A handwritten signature in black ink, appearing to read "Dan Clem", with a long, sweeping underline that extends to the right.

Dan Clem
Government Affairs Committee

Chair Dembrow, Members of the Committee:

LEKTRO is a manufacturer based in Warrenton, Oregon. It is a second generation, family owned business with 91 employees, and is celebrating its 70th year in Oregon. Unfortunately, the cost of being a business in Oregon continues to rise and this bill contributes to that. LEKTRO opposes the current form of the proposed mandatory sick leave law.

LEKTRO provides paid vacation to all our full time employees at the rate of 5 days for their first year, 10 days for their second year and the following years until their fifth year, where we provide 15 days of sick leave. Under the current policy, employees can use their time off as a form of paid sick leave if they chose. LEKTRO also provides 7 paid holidays after employees complete their 90 day probationary period. If this policy goes into effect, we will need to revoke those paid holidays to pay for the sick leave.

While we understand the need for sick leave, especially in industries that do not provide paid sick leave, we do not feel it is warranted to make a sweeping proposal to affect all businesses, with the exception of longshoremens and construction crews. The root desire for this bill is to provide a safety net of sorts for workers and families that are struggling to make ends meet. This is a good cause, but we fear for how implementation will evolve.

This policy is indicative of a Portland/I-5 corridor idea that may work in an urban setting, but only ends up further hurting small businesses in rural areas. We urge this committee to reconsider this policy and provide a more flexible standard for what sectors and size of businesses it applies to.

Sincerely,

Henry August
LEKTRO, Inc.



Chamber of Commerce

P.O. Box 1232

Heppner, OR 97836

541-676-5536

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Website: www.heppnerchamber.com

Facebook: <http://www.facebook.com/Heppnerchamberofcommerce>

February 16, 2015

RE: Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow:

The Heppner Chamber of Commerce helps to support a small rural community with businesses that are already struggling to make their “business” work and keep as many employees employed as possible.

The Heppner Chamber of Commerce opposes HB 2005 and SB 454 for the reason that it represents a new payroll tax/liability for small business. We don't believe the small employers in our community have the ability to absorb a new payroll tax without serious concerns for their competitiveness, their ability to maintain and manage their workforce and productivity in the face a new mandated benefit that requires hour-by-hour management, or that our local economy will produce enough economic growth to make this mandate anything other than a drain on employment or business growth.

Our chamber believes that our community would like to see sustained local business, economic and income growth before we consider business mandates like the paid sick leave mandate imposed by HB 2005 and SB 454.

Sincerely,

Sheryll Bates
Executive Director



February 19, 2015

RE: Hillsboro Chamber Position on Mandatory Paid Sick Leave – House Bill 2005/Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow:

The Hillsboro is a business organization representing more than 750 business and more than 55,000 jobs in our community. We support policies that enable our businesses to grow and prosper and we utilize our collective influence to assist in shaping policy that enhances the business climate for increased investment, high-wage job growth and a vibrant community.

We oppose mandatory paid sick leave because our members have developed their own benefits packages and leave policies that take into account their own unique industries, their unique company needs, the needs of their employees, and what they can afford. Companies across our community are solving their own personnel issues in ways that fit the needs of the company and the employee.

Government intervention is not needed, nor is it desirable because it limits the creative ways in which companies solve their leave issues for the benefit of both the company and the employees.

The worst – and most likely – outcome stemming from a mandatory paid sick leave proposal is that the cost of the state mandate will crowd out the other benefits currently offered by a local employer that employees actually prefer. Benefits such as bonuses, profit sharing, paid holidays, or employer-paid health benefits are all going to be re-evaluated as small businesses look to cover the cost of the state mandate.

Please resist the urge to mandate a paid sick leave benefit. You will find that such a mandate is not only not good for employers, but not good for employees, either, as other more desirable benefits are scaled back or replaced altogether to pay for the mandate.



February 20, 2015

Image360 - Beaverton

Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

I am a small business owner and an active member of the Beaverton Chamber of Commerce. My company produces signs, graphics and displays. I've been in business for one and a half years. I'm sure that you're well aware that opening a small business can be challenging. Sales have been slowly building but the last year has been a struggle financially.

Image360 - Beaverton opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates.
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
3. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.
4. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

A handwritten signature in blue ink, appearing to read 'Eric Nicholson', is written over a light blue horizontal line.

Eric Nicholson, owner Image360 - Beaverton

8279 SW Cirrus Dr., Suite 15E, Beaverton, OR 97008
phone: 503.268.1368

info@image360beaverton.com, www.image360beaverton.com

February 16, 2015



Senate Workforce Committee
House Business and Labor Committee

Re: Paid Sick Leave (SB 454/HB 2005)

Dear Chairs Dembrow and Holvey & Members of the Committees,

The Bend Chamber of Commerce is in opposition of SB 454 and HB 2005 because it will negatively impact our businesses and is fraught with unintended consequences for those it is most intended to assist. Quality of life for both employers as well as employees may essentially be put at risk just by the economic impacts alone.

Provided on the page attached is a list of members opposed to this potential mandate, particularly in its current form. Also, included below are a few points of concern shared by said members.

Primarily, the burden of cost to implement this program (said to be the equivalent of a 3 percent payroll tax on small business) is placed entirely on the employer regardless of the number of employees, with no required employee investment before eligibility and, in many cases, at the expense of having to rearrange and compromise current benefits often already preferred by the employee. And, since the leave will have to be given in one hour increments, it will eviscerate employer attendance policies as well.

Member Example #1: *“As a full service Towing & Recovery Company, I can fully relate to the additional cost it will be on the families of Oregon. My company responds to over 15,000 calls a year in Central Oregon alone. My dispatch company sends another 35,000 calls to companies in Hood River, Portland and Salem.*

So the cost, my company only: sick leave alone; without the added cost of replacing an employee for the day, or the additional tax burden it will create, will be an additional 10% in payroll. Hard number, by employee, by the hour = \$67,000. Who will pay for that? My customers. The companies that deliver the fuel, food, construction supplies etc. to our region.”

Member Example #2: *“As the Human Resources Director for The Center (Orthopedic and Neurosurgical Care), I urge you to consider how a “paid sick leave” mandate might NOT be in the best interest of all employees. Many employers offer “paid sick leave” in the form of “Paid Time Off” or PTO. PTO policies combine both vacation and sick leave time into one bucket of time off giving the employee more flexibility in how they choose to use their paid time off.*



PTO is preferred to having separate vacation and sick leave policies for the following reasons:

1. A PTO plan helps employers plan ahead better to prepare for an employee's absence. If an employee who isn't really sick wants to use "sick leave" as a vacation day, they are going to call in "sick" at the last minute rather than say "I want next Friday off." With a PTO plan, the employee doesn't have to pretend to be sick to use the paid time off that has been granted to them. With a PTO plan, the employee is more likely to ask for a day off in advance which allows the employer to plan ahead for coverage.
2. A PTO plan rewards both healthy and sick employees with the same number of paid days off. An employee shouldn't get less paid time off just because he/she is healthy and/or not willing to lie about being sick in order to use sick leave as a vacation day.
3. A PTO plan relieves employers of the burden of "judging" whether or not an employee is actually sick when they use a sick day. Employers will feel the need to have policies around the proper use of sick leave. This will lead to employers having to judge whether or not sick leave is being used as intended. With a PTO policy, paid time off is granted regardless of the reason so there is no judgment involved.

In summary, if the sick leave bill passes, legislators need to carve out an exception or acceptable alternative for employers who provide sick leave in the form of a "paid time off" or PTO plan in order to maintain this important employee benefit."

Member Example #3: *"We are a small local donut shop in our fragile first year of business. Forcing us to offer paid sick leave very well might cause us to close our doors altogether. This plan hurts small mom and pop businesses and their employees the most.*

We agree the intent is right and employees should be able to take time off when they are sick. We also believe paying them is the right thing to do, but that should be our choice not mandated by law."

Sincerely,

Tim Casey
President & CEO

Bcc: Senator Tim Knopp – District 27; Senator Ted Ferrioli – District 30
Bcc: Rep. Whisnant – District 53; Rep. McLane – District 55; Rep. Buehler – District 54; Rep. Huffman – District 59



February 16, 2015

Bend Chamber of Commerce – Members Opposed to SB 454 & HB 2005

Arbor Mortgage, Rob Moore, Owner
Bend Backflow Testing, David Doerr, Owner
Bend Parks & Recreation, Don Horton, E.D.
Cascade Tel, Mike Kruska, Sales Engineer
Central Oregon Association of Realtors, Janet Burton, Govt. Affairs Dir.
Central Oregon Trophies & Engraving, LLC, Terri Defoe, Owner
Consolidated Towing, Mike Wildman, Owner
CrossPoint Capital, Michael Sipe, Owner
Eyes on Wall Street, Lorraine & Doug Winger, Owners
Gerald Smith, Certified Counselor, SCORE
Hilton Garden Inn, Doug Ableman, General Manager
Home Instead Senior Care, Todd and Lori Sensenbach, Franchise Owner
Lumbermens Insurance & Risk Solutions, Mollie Boyd, VP of Operations
Mt. Bachelor, Cary Stanfill, Director of Guest Services
Northwest Consultants, LLC, Rick LeSage
Professional Moving Services, LLC, Bradley H. Thomas
Robberson Ford Lincoln Mazda, Jeff Robberson, General Manager/President
Sparrow Clubs USA, Terri King, Business Manager
Sweetheart Donuts, Gwenn Levine, Manager
Synergy Office Systems, Bob Browning, President
Tate & Tate Catering, LLC, George & Barbara Tate, Owners
The Center - Orthopedic and Neurosurgical Care, Cindy O'Neal, Director Human Resources
The Hidden Touch, Jet Cowan
Toddles Preschool, LLC, Ally Sexton, Owner
Victor Chudowsky, Bend City Councilor

SALEM AREA
CHAMBER OF
COMMERCE

President

Barbara Hacke Resch
Summit Wealth Management

Chief Executive Officer

Jason Brandt

Executive Committee

Ryan Allbritton

U.S. Bank

Bruce Anderson

NW Natural

Jim Bauer

Willamette University

Brent DeHart

Northwestern Mutual

LeAnn Keim

Columbia Bank

T.J. Sullivan

Huggins Insurance

Board of Directors

Marin Arreola III

Advanced Economic Solutions, Inc.

Curt Arthur

*Sperry Van Ness Commercial Advisors,
LLC*

Patricia Callihan-Bowman

Express Employment Professionals

Cort Garrison

Salem Health

Abby Heppner

Heppner Chiropractic, LLC

Eric Jamieson

Garrett Hemann Robertson P.C.

Terrence L. Kuenzi, CPA

Kuenzi & Company, LLC

Jim Lewis

Salem Association of Realtors

John K. Miller

Courthouse Fitness

John Pataccoli

Redhawk Vineyard & Winery

Selma Moon Pierce, DDS

Steve Silberman

Gannett Company, Inc.

Wendy Veliz

Portland General Electric

Caleb Williams

Saalfeld Griggs PC

Salem Area Chamber of Commerce
1110 Commercial Street NE
Salem, Oregon 97301
503-581-1466; Fax 503-581-0972
Salemchamber.org

February 12, 2015

The Salem Area Chamber of Commerce (SACC)
Position on Compulsory Paid Sick Leave – House Bill 2005 / Senate Bill 454

The SACC has been in existence since 1884 to protect the basic principles on which free market enterprise was established. As such, we ask ourselves one central question when determining our position on proposed legislation:


“Will this (enter house/senate bill here) strengthen or hinder the ability of the private sector to grow and create jobs for area residents?”

The SACC opposes HB 2005 / SB 454 for the following reasons:

- HB 2005 / SB 454 quietly nullify the fundamental and historical responsibility and right of a business owner to run their organization and to offer the benefits they can afford commensurate with the human resource forces in the marketplace
- HB 2005 / SB 454 would place the entire burden of program cost on the business owner, many of whom do not offer sick leave benefits simply as a matter of affordability
- HB 2005 / SB 454 unfairly target our smallest, most vulnerable business members by requiring that all businesses provide the benefit, regardless of the number of employees
- HB2005 / SB454 do not require a reasonable employee “investment” in their job or with their current employer before eligibility to accrue and / or use paid sick time.
- HB 2005 / SB 454 will in many cases force business owners to cut other costs in order to pay for the benefit, including payroll, vacation or PTO, and potentially layoffs and hiring freezes.
- HB 2005 / SB 454 is written without reasonable, real time checks and balances that would allow a business owner to ensure that potentially costly benefits requests are legitimate before labor and productivity losses are incurred.

We realize that Compulsory Sick Leave remains a priority policy issue for many serving as part of the 2015 Legislative Assembly. The Salem Chamber would reconsider its decision to oppose HB 2005 / SB 454 if the points outlined above are addressed with amendments.

Sincerely,



Chief Executive Officer
Salem Area Chamber of Commerce



President
Salem Area Chamber of Commerce

Jeff Butsch
4B Farms
503-932-6032
Fax 503-845-6295

2-16 -15

Dear Jennifer Dresler/gov.Affairs with Oregon Farm Bureau

We operate a farm business currently but I got legislation alert and I can't make the room F hearing at the capital Tuesday.

Just hoping this letter explains some argument opposed to Hb2005 and Sb454 from a small businesses point of view. The impact using the way if it passed I estimated would add an added annual labor bill estimated at 6400-7000 dollars plus create among my employees that sick or not I'm paying them to sit or qualify them to a paid vacation. I can't see why the state thinks they have a right to regulate me out of business. Don't the politicians in Salem ever think what we provide them in the food chain and the extreme value at farmers markets register when they shop for their food? I never as a farmer not take care of my employee's needs, but what about the financial stress this bill will put on my bottom line? Apparently city dwellers think they can purchase all their food from overseas, but let me educate them that producers over there will jack up the costs of their food and not have to follow labor laws mandated by Salem Governmental affairs. We spend way more time than it's worth trying to educate legislative degenerates so I wish bureau of labor and all of them go away for good. Also I wish Agencies would quit taxing us to death. My wife and family are just hoping what we have invested in our business we can plow it back out because the kids see how much stress our business puts on our business now, that I doubt 0 out of 4 of our kids want zero to do with helping run our family farm in the future.

Sincerely Jeff Butsch

February 19, 2015

Re: Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

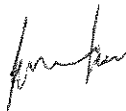
Dear House Chair Holvey & Senate Chair Dembrow,

The Beaverton Area Chamber of Commerce has taken a position in opposition to Mandatory Sick Leave (HB 2005 and SB454) for the following reasons:

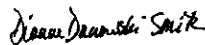
- It is not the government's role to interfere with contracts between employers and employees. The free enterprise market, when allowed to move with market forces, sets deliverables and benefits for employer – employee relationships.
- Most employers have moved to a model of PTO (personal time off) which is a popular model for employees allowing them freedom to utilize their paid time off for personal reasons, vacation, and sick leave. If sick leave is mandated, Oregon will be going backwards and employers will in all likelihood cut PTO and/or paid holidays they currently provide (which are optional) to make up for the costs of government mandated sick leave. They may also look to cutting additional benefits to absorb the cost.
- The sole burden of these bills is on the shoulders of business. Employees are not required to "invest" in their employer nor job before this benefit would be available.
- The passage of these bills would set a precedent allowing Portland-centric laws and decisions to be dictated into state-wide government mandates.
- This will seriously impact Oregon's ability to attract new businesses as the book of regulations and government mandates grow.

The Beaverton Area Chamber of Commerce respectfully asks for your consideration and NO vote on HB 2005 and SB 454.

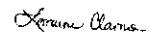
Sincerely,



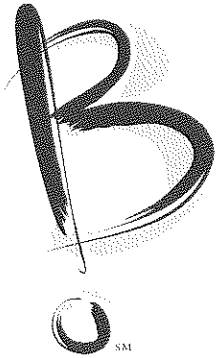
Jerry Jones Jr.
Lanphere Development & Construction
Chair of the Board



Dianne Danowski Smith
Publix NW
Chair of Business Advocacy



Lorraine Clarno
Beaverton Area Chamber
President/CEO



BEAVERTON AREA
Chamber of Commerce

12655 SW Center St, Suite 140
Beaverton, Oregon 97005

503.644.0123 MAIN
503.526.0349 FAX

www.beaverton.org

February 20, 2015

Our Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

My wife and I own a small cleaning and property management business here in The Dalles. We employ between seven to ten employees, depending on the time of the year, we are a true small business.

We oppose the paid sick leave mandates contained in HB 2005 and SB 454.

Both bills represent a new payroll tax on small business with as few as one employee. Local small businesses - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

I would like to know why some of our elected officials believe small business owners like ELF have unlimited resources to continue to afford adding mandates and taxes to our cost of doing business. Where is this money supposed to come from to support continued government interference in the operation of a business? Please let the market place set the wages and benefits.

Thank You,

John Fredrick

John Fredrick
Property Manager
ELF Property Management
113 East 2nd Street
The Dalles, Oregon 97058

To whom it may concern;

I really didn't think this subject could get much worse, but it has. 56 hours, where did that number come from? One hour increments? Brilliant. An employee can call in "sick" for an hour on a random morning, and either cause me (I own a sheet metal construction business) to have someone waiting around for his fellow crew member, or worse yet to disrupt my entire schedule. Part of my livelihood is based on my employees showing up...and on time, when dealing with a customer. So employee "X" shows up late (after calling in ?) My hands are tied, can he do it the next day? It appears so, and I have nothing I can do about it. For years we have rewarded employees with paid vacation time after a year with us, it has worked well enough, but I suppose now I will just call it "sick Leave"? I speak for many in the construction industry, we cannot have employees basically showing up when and if they feel like it, is this going to get abused? What do you think?

Marty Schmitt
Co-Owner
Sheet metal shop, Eugene, Oregon

Senate Workforce Committee;
House Business and Labor Committee;

My name is Mike Hogan I am a local business owner in Medford. My wife Laura and I have owned and operated Rosario's Italian Restaurant for the past 14 years. Rosario's has been in operation since 1975. We currently employ 18 individuals.

I am writing to ask you to please oppose the proposed legislation being discussed SB 454/HB 2005.

I believe this legislation among others will create job loses to Oregon employees for which our state may never recover.

Consumer pricing will skyrocket and cause damage to an already fragile Oregon economy.

If you calculate the mandatory paid sick leave into our payroll it's an additional accrued payroll liability of \$13,600 /yr.

With the proposed increases in hourly wages, payroll taxes, workman's comp insurance and mandatory paid sick leave the increase to my small business expenses will be over \$120,000 per year. We can assume that every vendor or business we conduct commerce with, in the state of Oregon will all be impacted and will be forced to pass the increase on to their customers.

That increase will cause inflation for most products and services we need to conduct our business.

Many of our customers are an older demographic who are living on a fixed retirement income. They will no longer be able to afford to eat at Rosario's.

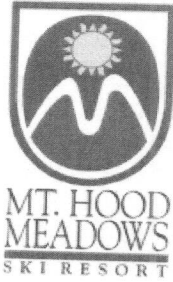
The bottom-line is...the future will not be bright for our little family owned business. This proposed legislation will cause a negative economic impact to our state. Unemployment will increase, tax revenue will decrease, state and federal sponsored financial assistance for the needy will increase, cost of goods and services will increase and many small businesses will disappear.

Please STOP this legislation now before it's too late.

If you have any questions or would like to discuss this with me directly please feel free to contact me at 541-941-8246. Thank you for your time.

Regards,
Mike Hogan
2422 Herrington Way
Medford, OR 97501

nagohm@yahoo.com



February 20, 2015

Mt. Hood Meadows Ski Resort

Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

We are a seasonal employer (80 employees year round, 1000 Nov-May) that relies on a passionate workforce that embodies the benefits of outdoor recreation.

We oppose mandatory paid sick leave because we have developed our own benefits packages and leave policies that take into account our unique industry, company needs, the needs of our employees, and what we can afford. We are committed to solving our personnel issues in ways that best fit the needs of the company and our employees.

Government intervention is not needed because it limits the creative ways in which we address leave issues for the good of both the company and the employees. Mandatory paid sick leave will force us to reconsider and likely diminish other benefits currently offered that employees actually prefer. Benefits such as bonuses, paid holidays, and multiple discounts around our resort on food, lessons and dependent passes are all going to be re-evaluated as we look to cover the cost of the state mandate.

Please resist the urge to mandate a paid sick leave benefit. You will find that such a mandate is not only not good for employers, but not good for employees, either, as other more desirable benefits are scaled back or replaced altogether to pay for the mandate.

Matt Troskey
Director of Human Resources
Mt Hood Meadows Ski Resort
Matt.troskey@skihood.com

NICHOLAS M. FROST
204 Rockridge Loop
Eugene, OR 97405

February 13, 2015

RE: Oregon Sick Leave Bill – No Alternative Local Sick Leave Rules

Ladies and Gentlemen:

I am writing this letter to express my opposition to permitting local jurisdictions to make their own mandatory sick leave rules in light of a potential statewide sick leave mandate. Currently, both statewide sick leave proposals would permit cities to pass their own separate rules, distinct from the statewide rules.

As a resident of Eugene, I can speak to how confusing and difficult this could become. The entire point of a statewide rule on paid sick leave is to have uniform rights offered to employees, particularly those employees who work for businesses that operate across many different locales.

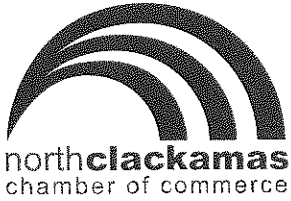
As I'm sure you are aware Eugene already has passed a sick leave ordinance of its own. It only makes sense that cities not be able to make their own rules up after the legislature takes it up at a statewide level. The result would be to confuse the issue for both employees and employers. In fact, the current statewide proposals go further and are more beneficial for employees than the current Eugene sick leave ordinance, so it is not the case that permitting cities to have their own rules would favor employees. All it does is create confusion and conflict for employees, require different rules for employers whose employees cross into cities with their own rules, and degrade the very point of having statewide action on an important issue where the state can set a single standard to avoid a patchwork of different standards across the state.

I would also add that my business currently already meets and exceeds the requirements for paid sick leave so there is no personal interest in the matter, but I think for the sake of avoiding convoluted sets of rules, the state rules should control and preclude local jurisdictions from passing their own rules.

Yours truly,



NICHOLAS M. FROST



Serving the North Clackamas Region Since 1955

A Member-Driven Organization Committed to a Vibrant Business Environment

February 29, 2015

The North Clackamas Chamber of Commerce

Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

The North Clackamas Chamber has been in existence for 60 years protecting the basic rights of this business community. We are a regional Chamber that expands over 4 cities and the greater part of unincorporated Clackamas County.

“Will HB 2005 and SB 454 strengthen or hinder the ability of the private sector to grow and create jobs for area residents?”

We believe that it will hurt small business and thus the North Clackamas Chamber of Commerce opposes the paid sick leave mandates contained in HB 2005 and SB 454 for the following reasons:

1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business - trying to compete with larger businesses and out of state firms - are put at a competitive disadvantage when they are saddled with such mandates.
2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
3. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit. Leading to difficulties hiring value added employee's because they are looking for benefits that the small business will no longer be able to offer!
4. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

Regards,

A handwritten signature in black ink, appearing to read "Laura Edmonds", is written over a white background.

Laura Edmonds
President & CEO

North Clackamas County Chamber of Commerce

7740 SE Harmony Road Milwaukie, OR 97222 • TEL 503.654.7777 • FAX 503.653.9515
info@yourchamber.com • www.yourchamber.com

From: [front_desk](#)
To: [Puckett Matthew](#)
Cc: [Rep Whisnant](#)
Subject: RE SB 454.doc
Date: Tuesday, February 10, 2015 6:41:30 PM

Please distribute to all committee members

TO: House Committee on Business and Labor

RE: SB 454 and HB 2005

My husband & I own and operate a small (12 unit) motel on the Oregon Coast. There's no way we can comply with SB 454 as written.

Our employees work the hours necessary to clean rooms, prepare them for the next guest and maintain the property. They do not work a set number of hours in any pay period. They are not guaranteed a minimum number of hours in any pay period. They all work as needed. A forty hour week is rare, occurring maybe once or twice in the summer for a housekeeper.

In reading the text of SB 454, I found no mention for an exception for employers like us, only for construction and longshore union members.

If one housekeeper is taking paid time off I still have to find and pay another housekeeper to do the job. That means it costs twice as much to clean a room. And that assumes I have a second housekeeper available to do it. Finding and keeping good help is another issue entirely.

We do try to keep them employed and busy during slow periods by having them paint, clean carpets, etc. but our business is dependant on the whims of the traveling public.

To keep good employees we pay well over the minimum wage, as much as \$12 per hour for housekeepers. Of course, it actually costs us much more than that with social security and state and federal payroll taxes.

This sick pay scheme may work for a manufacturer or retail operation but compliance is impossible for a small hospitality business like ours. We cannot afford to comply to yet another government regulation and stay in business. If we raise prices to pay for paid sick leave, occupancy will go down. Fewer rooms to clean=fewer paid hours. It just does not work.

Peggy & Rick Leoni
Trollers Lodge
Depoe Bay
www.trollerslodge.com
e-mail: Frontdesk@trollerslodge.com

Dear Mr. Germer and Ms. Nordlund,

I was going to testify in today's **Senate Workforce and House Business and Labor Committee** but have been sick the past 3-4 days and won't be able to make it down to Salem tonight.

A few of the points I was going to make are:

- 1) Most Agricultural Producers cannot absorb all these additional cost or loss of production to their operation. Commercial growers do not set the selling price for fresh apples, pears and cherries. It's all market based .. supply and demand. Growers do have a very small representation in contract negotiations when setting the price per ton but were talking \$.13-15/lb when all is said and done. Cannery prices are not a sustainable income for pear growers to build and improve their operations. **WE CANNOT PASS ON THIS ADDED EXPENSE!**
- 2) Most growers provide free housing and even free utilities in Hood River and Wasco Counties. This is a huge expense that do so of a benefit that should be considered when calculating what growers are already doing for their valued employees in regards to minimum wage, mandatory health coverage and any paid sick leave.
- 3) My operation is close to having to provide universal health coverage for all their employees since we have been growing our farms value added segments; vertically integrating in direct sales to customers.

My business plan has always been to put the interest of our employees high and will continue to do so, but to expand and hire more employees is not a good short or long term objective with the climate of Oregon's legislation. This is due to the fact that legislation is being passed by those that do not understand what it entails to run and grow a family business and do not consider the adverse effect on the employer AND potential employees of what seems like a good idea.

I have many more concerns but these are a few that I feel need to be heard by your committees. Best Regards from a 3rd generation orchardist in the Hood River Valley,

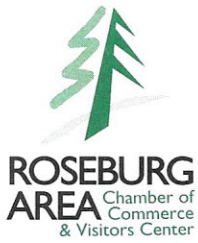
Randy Kiyokawa

[541-806-7115](tel:541-806-7115)

www.kiyokawafamilyorchards.com



**"Vision without action is daydream.
Action without vision is nightmare."
—Japanese Proverb**



410 S.E. Spruce Street
P.O. Box 1026
Roseburg, OR 97470
Phone 541.672.2648
Fax 541.673.7868

www.RoseburgAreaChamber.org

February 16, 2015

**The Honorable Michael Dembrow, Chair
Senate Committee on Workforce
900 Court Street, NE, S-407
Salem, OR 97301**

**The Honorable Paul Holvey, Chair
House Committee on Business and Labor
900 Court Street, NE, H-277
Salem, OR 97301**

Re: SB 454 / HB 2005—Mandatory Paid Sick Leave

Dear Senate Chair Dembrow, House Chair Holvey and Members of the Committees,

The Roseburg Area Chamber of Commerce represents more than 500 businesses and organizations employing 17,000 residents and advocates on behalf of all job providers in rural Douglas County.

The Roseburg Area Chamber of Commerce opposes the paid sick leave mandates in HB 2005 and SB 454 for the following reasons:

- 1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business, competing with larger businesses and out-of-state firms, are put at a competitive disadvantage when saddled with such mandates.**
- 2. Both bills represent significant, additional administrative responsibilities for employers, especially small businesses, who would have to manage the new leave benefit in one-hour increments per employee.**
- 3. Both bills will force small employers in our community to reevaluate their existing compensation practices and employee benefits and consider personnel reductions in order to accommodate the cost of the new sick leave benefit.**
- 4. Our local economy grows when our local businesses grow. Our rural community, like many in Oregon, is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business and job growth.**

On behalf of one of Oregon's most economically-challenged counties, we respectfully ask these bills not be passed out of the committee. Douglas County—and rural Oregon—cannot afford more public policy where the result is a disincentive to economic development and job growth. Our

**VISION
MISSION**

To advocate for and be the voice of the business community in the greater Roseburg area.

To strengthen, enhance and protect our members through political advocacy, economic development, community promotion and member programs and services.

February 16, 2015
Re: SB 454 / HB 2005
Page Two

community needs small business growth, employment growth, and personal income growth. The costs of the proposed legislation outweigh any supposed benefits to our community. HB 2005 and SB 454 fly in the face of what Oregon and its leadership should be focusing on—creating an environment for job creation and preservation.

The Roseburg Area Chamber of Commerce strongly urges “no” votes on SB 454 and HB 2005. Thank you for your time and consideration.

Best regards,

ROSEBURG AREA CHAMBER OF COMMERCE



Debra L. Fromdahl
President & CEO

cc: Douglas County State Delegation:
The Honorable Jeff Kruse
The Honorable Floyd Prozanski
The Honorable Cedric Ross Hayden
The Honorable Dallas Heard
The Honorable Wayne Krieger

ROSEBURG AREA CHAMBER OF COMMERCE

P.O. Box 1026

• 410 SE Spruce Street

• Roseburg, OR 97470

February 16, 2015

Senate Committee on Workforce
House Committee on Business & Labor
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Chair Holvey, Chair Dembrow and Members of the Committees:

The Special Districts Association of Oregon (SDAO) represents approximately 950 districts across the State of Oregon providing a wide variety of single services like water, sanitary services, parks and recreation, fire, and library to mention a few. Our voluntary boards and commissions are dedicated to providing the highest quality of service to the citizens of Oregon. SDAO would like to express a concern that we have identified with HB 2005 and SB 454.

Specifically, both bills in Section 3(1) states that *“All employers shall implement a sick time policy that allows an employee to earn and accrue **at least** 56 hours of paid sick time per year.”* However, the second sentence of Section 3(1) appears to contradict the first sentence. The second sentence states that *“Paid sick time shall accrue at the rate of one hour of paid sick time for every 30 hours worked.”*

The contradiction is that for part time employees who work less than 1,680 hours in a year the bill would appear to still require the granting of **at least** 56 hours of paid sick leave – thereby requiring the employer to accrue paid sick leave for part time employees working fewer than 1,680 hours a year at a rate greater than 1 hour for every 30 hours worked. As a result, this particular section is confusing to our members and could result in unnecessary litigation.

SDAO believes that the intent of the measure is to require the accrual of paid sick leave at a rate of 1 hour for every 30 hours worked. If that is indeed the case we would recommend that first sentence in Section 3(1) be modified in the following manner: *“All employers shall implement a sick time policy that allows an employee to earn and accrue **up to** 56 hours of paid sick time per year,”* rather than “at least.”

Thank you for your consideration.

Mark Landauer



Special Districts Association of Oregon
Government Affairs



Rowe & Deming, LLC - Certified Public Accountants and Business Advisors

February 16, 2015

RE: SB 454 & HB 2005

Dear House Chair Holvey & Senate Chair Dembrow,

We are a small business that has operated in The Dalles, Oregon for over 50 years. We have 12 employees and a perfectly workable paid sick leave policy in place. We do not need government interference in our employee management processes to take care of our employees and maintain a successful business operation.

Our local economy is not strong enough for employers to incur the added payroll and managerial costs of these bills without negative ramifications for business growth and employment. Our community needs small business growth, employment growth, and personal income growth. HB 2005 and SB 454 are not bills that support these needs in our community.

Sidney T. Rowe, CPA

Partner

email: sid@roweanddeming.com



Tigard Area Chamber of Commerce
12345 SW Main Street
Tigard, OR 97223
503-639-1656

February 16, 2015

Subj: Tigard Chamber of Commerce Position on Mandatory Paid Sick Leave – HB 2005 / SB 454

Dear House Chair Holvey & Senate Chair Dembrow,

The Tigard Chamber of Commerce has advocated for and represented our business community for 59 years. Our membership consists of about 300 businesses, representing over 5,000 employees. Small business comprises a large percentage of our membership across manufacturing, consumer, administrative and management/professional sectors.

The Tigard Chamber of Commerce has reviewed the impacts of the mandatory sick leave proposals and strongly oppose them because they are disproportionately harmful to small business. Our members have developed their own benefits packages and leave policies that take into account their own unique industries, their unique company needs, the needs of their employees, and what they can afford. Companies across our community are solving their own personnel issues in ways that fit the needs of the company and the employee. Government intervention is not needed, nor is it desirable because it limits the creative ways in which companies solve their leave issues for the benefit of both the company and the employees.

We are concerned that a mandatory paid sick leave proposal at the state level will crowd out the other benefits currently offered by a local employer that employees actually prefer. Benefits such as bonuses, profit sharing, paid holidays, or employer-paid health benefits are all going to be re-evaluated as small businesses look to cover the cost of the state mandate.

Our hope is that you understand that the paid sick leave mandates in HB 2005 and SB 454 are essentially a new payroll tax for small business. A one hour paid leave benefit per 30 hours worked translates into an additional 3.3% payroll liability. To put this in perspective, many of our businesses pay on average about 3% of payroll in unemployment taxes. HB 2005 and SB 454 are akin to a second unemployment tax paid for small business.

The Tigard Chamber of Commerce asks you to consider the impacts of a paid sick leave mandate on small business and reject solutions such as HB 2005 and SB 454 which put undue burden on the small businesses that are the backbone of our Tigard community and our chamber. You will find that such a mandate is not only not good for employers, but not good for employees, either, as other more desirable benefits are scaled back or replaced altogether to pay for the mandate.

Sincerely,

Debi Mollahan
CEO, Tigard Chamber

February 16, 2015



Senate Workforce Committee
House Business and Labor Committee

Re: Paid Sick Leave (SB 454/HB 2005)

Dear Chairs Dembrow and Holvey & Members of the Committees,

The Bend Chamber of Commerce is in opposition of SB 454 and HB 2005 because it will negatively impact our businesses and is fraught with unintended consequences for those it is most intended to assist. Quality of life for both employers as well as employees may essentially be put at risk just by the economic impacts alone.

Provided on the page attached is a list of members opposed to this potential mandate, particularly in its current form. Also, included below are a few points of concern shared by said members.

Primarily, the burden of cost to implement this program (said to be the equivalent of a 3 percent payroll tax on small business) is placed entirely on the employer regardless of the number of employees, with no required employee investment before eligibility and, in many cases, at the expense of having to rearrange and compromise current benefits often already preferred by the employee. And, since the leave will have to be given in one hour increments, it will eviscerate employer attendance policies as well.

Member Example #1: *“As a full service Towing & Recovery Company, I can fully relate to the additional cost it will be on the families of Oregon. My company responds to over 15,000 calls a year in Central Oregon alone. My dispatch company sends another 35,000 calls to companies in Hood River, Portland and Salem.*

So the cost, my company only: sick leave alone; without the added cost of replacing an employee for the day, or the additional tax burden it will create, will be an additional 10% in payroll. Hard number, by employee, by the hour = \$67,000. Who will pay for that? My customers. The companies that deliver the fuel, food, construction supplies etc. to our region.”

Member Example #2: *“As the Human Resources Director for The Center (Orthopedic and Neurosurgical Care), I urge you to consider how a “paid sick leave” mandate might NOT be in the best interest of all employees. Many employers offer “paid sick leave” in the form of “Paid Time Off” or PTO. PTO policies combine both vacation and sick leave time into one bucket of time off giving the employee more flexibility in how they choose to use their paid time off.*



February 16, 2015

Bend Chamber of Commerce – Members Opposed to SB 454 & HB 2005

Arbor Mortgage, Rob Moore, Owner
Bend Backflow Testing, David Doerr, Owner
Bend Parks & Recreation, Don Horton, E.D.
Cascade Tel, Mike Kruska, Sales Engineer
Central Oregon Association of Realtors, Janet Burton, Govt. Affairs Dir.
Central Oregon Trophies & Engraving, LLC, Terri Defoe, Owner
Consolidated Towing, Mike Wildman, Owner
CrossPoint Capital, Michael Sipe, Owner
Eyes on Wall Street, Lorraine & Doug Winger, Owners
Gerald Smith, Certified Counselor, SCORE
Hilton Garden Inn, Doug Ableman, General Manager
Home Instead Senior Care, Todd and Lori Sensenbach, Franchise Owner
Lumbermens Insurance & Risk Solutions, Mollie Boyd, VP of Operations
Mt. Bachelor, Cary Stanfill, Director of Guest Services
Northwest Consultants, LLC, Rick LeSage
Professional Moving Services, LLC, Bradley H. Thomas
Robberson Ford Lincoln Mazda, Jeff Robberson, General Manager/President
Sparrow Clubs USA, Terri King, Business Manager
Sweetheart Donuts, Gwenn Levine, Manager
Synergy Office Systems, Bob Browning, President
Tate & Tate Catering, LLC, George & Barbara Tate, Owners
The Center - Orthopedic and Neurosurgical Care, Cindy O'Neal, Director Human Resources
The Hidden Touch, Jet Cowan
Toddles Preschool, LLC, Ally Sexton, Owner
Victor Chudowsky, Bend City Councilor



PTO is preferred to having separate vacation and sick leave policies for the following reasons:

1. A PTO plan helps employers plan ahead better to prepare for an employee's absence. If an employee who isn't really sick wants to use "sick leave" as a vacation day, they are going to call in "sick" at the last minute rather than say "I want next Friday off." With a PTO plan, the employee doesn't have to pretend to be sick to use the paid time off that has been granted to them. With a PTO plan, the employee is more likely to ask for a day off in advance which allows the employer to plan ahead for coverage.
2. A PTO plan rewards both healthy and sick employees with the same number of paid days off. An employee shouldn't get less paid time off just because he/she is healthy and/or not willing to lie about being sick in order to use sick leave as a vacation day.
3. A PTO plan relieves employers of the burden of "judging" whether or not an employee is actually sick when they use a sick day. Employers will feel the need to have policies around the proper use of sick leave. This will lead to employers having to judge whether or not sick leave is being used as intended. With a PTO policy, paid time off is granted regardless of the reason so there is no judgment involved.

In summary, if the sick leave bill passes, legislators need to carve out an exception or acceptable alternative for employers who provide sick leave in the form of a "paid time off" or PTO plan in order to maintain this important employee benefit."

Member Example #3: *"We are a small local donut shop in our fragile first year of business. Forcing us to offer paid sick leave very well might cause us to close our doors altogether. This plan hurts small mom and pop businesses and their employees the most.*

We agree the intent is right and employees should be able to take time off when they are sick. We also believe paying them is the right thing to do, but that should be our choice not mandated by law."

Sincerely,



Tim Casey
President & CEO

Bcc: Senator Tim Knopp – District 27; Senator Ted Ferrioli – District 30
Bcc: Rep. Whisnant – District 53; Rep. McLane – District 55; Rep. Buehler – District 54; Rep. Huffman – District 59



February 20, 2015

Cottage Grove Area Chamber of Commerce
700 E. Gibbs Avenue
Cottage Grove, OR 97424

Re: Position on Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear House Chair Holvey & Senate Chair Dembrow,

The Cottage Grove Area Chamber of Commerce is a membership organization representing over 250 businesses in South Lane and North Douglas Counties. We strongly request and sincerely hope that you will not pass House Bill 2005/Senate Bill 454 as it is currently written. **While we agree that every employee should have the ability to take time off from work for health related purposes, we feel strongly that this Bill is the wrong way to achieve such a goal.** The Cottage Grove Area Chamber of Commerce recognizes the importance of employment benefits and that many of our organization's business members already have some sort of sick pay policy as part of their human resource policies and business plan. **This is, and should remain, an individual business decision.**

The Cottage Grove Area Chamber of Commerce opposes HB 2005 and SB 454 for the reason that it represents a new payroll tax/liability for small business. We don't believe the small employers in our community have the ability to absorb a new payroll tax without serious concerns for their competitiveness, their ability to maintain and manage their workforce and productivity in the face of a newly mandated benefit that requires hour-by-hour management. **We therefore believe this mandate will be a detriment to both employment and business growth.**

This Bill will be yet another hurdle for small business to compete with larger businesses. It will force small business owners to balance the costs of the mandate with other benefits currently offered, essentially forcing small employers to trim other benefits that employees may very well prefer. Finally, the requirement that small employers manage the sick leave mandate down to hourly increments has the **strong potential to undermine attendance policies that employers need to meet job requirements and deadlines.**

This Chamber believes that our community would like to see sustained local business, economic and income growth before we consider business mandates like the paid sick leave mandate imposed by HB 2005 and SB 454.

Regards,

Travis Palmer
Executive Director
Cottage Grove Area Chamber of Commerce