



April 1, 2015

Chair Paul Holvey
House Business and Labor
900 Court St. - State Capitol
Salem, OR 97301

Chair Holvey and members of the Committee:

My name is Heather Conroy and I am with SEIU Local 503. We represent 55,000 Oregonians across the entire state who provide services ranging from maintaining our roads, providing child care to kids of low income parents to monitoring and regulating water rights, preparing and serving meals to school children in Portland to assisting seniors and people with disabilities maintain dignity and autonomy.

I am here today to testify in support of HB 3471. SEIU 503's support for this bill is two-fold. Our union has a vision of a just society where everyone is treated with respect and dignity and where workers are able to provide for themselves and their families.

We, like the majority of Oregonians believe in the dignity of work. We believe that people who work for a living deserve the dignity of being able to support themselves without the need for public assistance to put food on the table, to care for their children or to keep a roof over their head.

However, Oregon has one of the highest percentage of workers receiving assistance. The impact of working, particularly working full time or cobbling together enough part-time jobs to get 40 or more hours a week, and not being able to be self-sufficient is demoralizing and discouraging.

HB3471 would create an incentive for employers to pay wages that promote self-sufficiency. SEIU 503 supports this bill because it supports the notion that there is dignity in work and promotes wages that allow people to be self-sufficient.

Secondly, we support this bill as a basic fairness issue. When employers pay so little that their employees must turn to public assistance to make ends meet we all pay. We pay through our taxes. Precious public resources that could be invested in improving our education system and investing in other parts of the Oregon infrastructure are instead spent to subsidize profits of low wage employers.

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A recent study by the University of Oregon estimated that the cost of low wage work to Oregon taxpayers to be at least \$1.7 billion per year. That is obscene.

I think it is telling when we point out which companies appear to have created a profit model that is reliant on Oregon taxpayers and low wage work. According to the study, most of these companies are not the cornerstone businesses of the Oregon economy who are headquartered in our state. They are companies that have no personal stake in the strength of our communities or the overall health of Oregon.

Most of the workers on public assistance are employed in four major sectors: accommodation and food service, retail trade; health care and social assistance; and administrative and waste services. Profitable companies like Walmart, Target, McDonalds, Taco Bell and Burger King top the list of low-wage employers having the largest number of workers who rely on food and medical assistance according to the University of Oregon study.

Not only are these companies relying on Oregonians to subsidize their low-wage profit model they are also enjoying one of the lowest corporate tax rates in the country. It's plain and simple that this just isn't fair. How did our much needed public safety net get manipulated into a way for large, profitable, out of state companies to generate millions and sometimes billions in profits at the expense of everyday Oregonians?

It's time that we turn this around and stop allowing out-of-state companies from making profits on the backs of low wage workers and Oregon taxpayers. HB3471 is a step in that direction.

Thank you for the opportunity to testify today.