

Sorenson Eric

From: Mike Nesbitt <mike@papaspizza.net>
Sent: Tuesday, May 05, 2015 9:40 AM
To: WaysandMeans.HumanServicesSub@state.or.us
Subject: Mandatory Sick Leave Written Testimony

Dear Ways and Means Sub Committee Members:

At a recent House work session one of the Democratic Representatives took time to assert that if the opponents of paid sick leave truly had a case then those opponents would have provided a parade of failed Portland businesses who failed because that city had imposed a mandatory paid sick leave law on the businesses of Portland. I wanted to jump out of my seat in frustration with such a ridiculous statement! My company won't fail as a result of a mandatory paid sick leave, and few companies will. The metrics you use to measure the paid sick leave law by should not be how many businesses **fail**. The metric should be the negative impact on **employees**, and that negative impact will be huge, and nobody will be talking about it.

If you make a product more expensive, less of that product will be used. The same is true of labor! Businesses will find a way to compensate for increased costs resulting from paid sick leave and employees will suffer. In response to higher labor costs (primarily minimum wage increases), there are multiple restaurants now who are providing order stations at the table or at kiosks in the restaurant and every one of those order stations allows the restaurant to employ fewer order takers; as sick leave is implemented you will find businesses putting more hours on those employees who already will be maxing out their sick leave and avoid giving those hours to new employees so as to minimize the sick leave costs; companies who provide a 401k match will eliminate that match; paid vacation already provided will be changed to Paid Time Off which will satisfy the mandatory paid sick leave law but eliminate a benefit considered important by employees; high school and college students who depend upon part time hours will find those part time hours being assigned to fewer employees and those part time jobs will disappear; and companies will find way to purchase more prepared items so as to eliminate prep hours. In response to minimum wage increases my company has cut over 8,000 hours per year by reducing shifts; increasing the purchase of pre-prepared stock items; and reduced hours of operation and we will find ways to further reduce employee hours should this once-size-fits-all sick leave law be enacted. These are realities which a mandatory sick leave law will cause, and employees will suffer---and those are the metrics which should be used when discussing the negative impacts of paid sick leave.

The Oregon Legislature has the opportunity to enact a sick leave law which businesses could support, yet the Democratic majority is hell-bent on enacting a one-size-fits-all mandatory paid sick leave law which will hurt employees and hurt businesses and further support the anti-business narrative being associated with the State of Oregon. If you truly

wanted to implement a law which would address the stated concerns of the supporters of sick leave you would focus on a law which provided sick leave to those working more than 25 hours per week. Those are the employees who suffer true negative impacts when they miss a day of work, yet this reality is being ignored and employees will suffer and businesses will suffer and high school/college students will suffer. Employees working 25 or more hours are the key employees in any business and you want to provide extra benefits to those employees and you want to protect them and you want to retain them. You won't cut their hours or you will end up cutting your own throat. These are the employees who generally are receiving the most benefits now, and one more added benefit will be a good thing for business and all employees. By mandating a one-size-fits-all mandatory sick leave law which fails to recognize the difference between full time and part time employees you will be enacting a law which hurts everyone in the end. And for those who argue that businesses will indeed cut hours of employees to get them below 25 hours, my response would be that you don't cut the hours of your key people and you can't make this argument against a 25 hour minimum yet support the notion that businesses won't try to reduce their staff to under 6 employees in an effort to avoid paying sick leave.

Will the small family restaurant in Tillamook or Bandon or LaGrande be able to afford this? Those 10 or 12 employees at that small restaurant are grateful to have a job at all, yet the Oregon Legislature is intent on passing a law which might have little impact on business owners in Portland but will be devastating for small businesses in small towns across rural Oregon. Do you care about them? Do you even understand how hard it is for a small business to survive in rural Oregon? Most of these businesses struggle to keep their doors open, yet they provide jobs to local residents and provide a service to the local community and it seems as if the Democratic Party is intent upon making their struggles harder and harder and harder. How can any lawmaker representing these rural communities support a one-size-fits-all mandatory sick leave law, and how can lawmakers representing larger cities not see how impossible it is for these small rural businesses to implement such a devastating law.

My company employs over 400 Oregon citizens. Over 95% of those are part-time, and most of those part time employees are high school or college students or workers who have other full time jobs and work for me to pick up additional spending money. Part time employees are the lifeblood of the restaurant industry for the simple reason that our busy hours are concentrated during the very limited meal periods of lunch and dinner and during those limited hours we need a lot of part time employees. These part time employees aren't asking for paid sick leave, they just want a job where they are treated fairly and given the flexibility to go to school or to work their full time job while picking up some extra money. These are the people a one-size-fits-all mandatory sick leave law will hurt and the Democratic majority seems incapable of understanding this. I've worked for this company for over 40 years, starting as a part-time employee while going to college, and I know for certain that your proposed law is a bad piece of legislation for business, for the State and for the working citizens of Oregon. I beg you to truly consider the negative impacts which will result if SB454 as written is passed.

I'm looking forward to attending your hearing on Thursday.

Respectfully,

Mike Nesbitt

Mike Nesbitt

President

The Papa's Group, Inc.

Phone: 541-686-2237 ext.104

Cell: 541-953-1298

Fax: 541-683-0915

mike@papaspizza.net

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

