

April 13, 2015

House Business & Labor Committee
Senate Workforce Committee

Re: Proposals to increase statewide minimum wage

Dear House Chair Holvey and Senate Chair Dembrow,

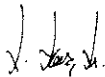
The Beaverton Area Chamber of Commerce represents 637 local businesses and we support Oregon's current minimum wage law that indexes the minimum wage each year based on inflation.

- The Oregon economy is slowly growing – adding jobs but wage growth is minimal at all wage levels. Any increase in the minimum wage will slow this momentum ultimately slowing income tax growth.
- Minimum wage is an entry level wage. It is considered a training wage for individuals entering the workforce and is not meant to sustain a family nor middle class income.
- Increasing the minimum wage to anything above the current rate of \$9.25 will cause other wages above that to automatically have to be raised having extreme negative impacts on small business.

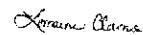
Ava Roasteria pays minimum wage to their employees. They receive an average of \$4.20 per hour of shift worked bringing their pay to above \$15.00 per hour. Two years ago, Ava's was able to implement and provide health insurance for all their employees. Ava's has opened two new locations in 2015 adding 35 jobs. **IMPACT OF WAGE INCREASE:** Ava's will eliminate medical and vacation benefits and increase the price of coffee & food to the point where tips will no longer be garnered. The planned expansion for two more locations in 2015/2016 will be eliminated.

VillaSport estimates raising minimum wage will cost the Beaverton location \$940,000 annually. They have a fair number of line level employees, of which many are teenagers and young adults. They hire teenagers and young adults and train them in soft skills and getting them ready for the next phase of their life. If minimum wage goes up VillaSport will have to be choosier with who they hire, which means they will look for people with experience already. This will most likely eliminate the teenagers and young adults as they don't have enough experience to warrant getting paid \$15 per hour. VillaSport is a family driven club and families are cost conscious. VillaSport may lose members if costs go up as families will have to rethink where they spend money. The largest number of raves VillaSport receives is their child care center. VillaSport hires teenagers and young adults, especially those who are looking to go into healthcare and teaching as this is a great first job to gain experience in those areas. VillaKid (childcare) is currently free and they may have to start charging in this area with the minimum wage increase. They will also have to look at people with experience in this area and the young adults will lose the opportunity to gain these initial skills.

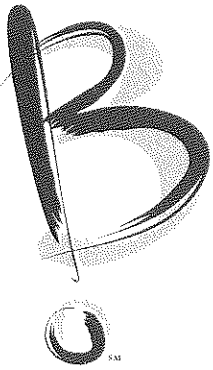
We ask that you oppose efforts to increase Oregon's minimum wage further. Increases in the minimum wage would hurt local businesses, result in fewer businesses and jobs, and would not benefit our community.



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



Lorraine Clarno
President/CEO
Beaverton Area Chamber of Commerce



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