

Senate Business & Labor Committee Hearing on Minimum Wage
April, 13th, 2015

Good afternoon honorable Senate and House Committee members. My name is Todd Sensenbach and my wife and I are owners of a Home Instead Senior Care franchise in Bend, OR, where we serve Crook, Deschutes, and Jefferson Counties. The trained, screened, and bonded caregivers we employ allow the over 100 seniors and disabled persons whom we serve to be safe and sound in their homes. We believe in making a difference in the lives of seniors and disabled persons by providing the highest level of care possible in the home. It is for this reason, I am writing you today in opposition to changing the minimum wage in Oregon.

First of all, I want to make it clear that I support higher wages and better employee benefits in Oregon. However, government regulations enforcing this will have certain unintended effects. Healthy businesses will look at their wages annually and increase when they can in order to stay competitive with the labor market. We will increase pay and benefits as quickly as we can but we have to ensure we can afford to do so and not force the seniors and disabled persons whom we serve to cut back on hours of care because they can no longer afford the level of in-home care they need.

For your reference, here are the House bills:

- [HB 2004](#) Repeals state preemption of charter and statutory authority of local governments to set minimum wage requirements.
- [HB 2008](#) Increases Oregon minimum wage rate in graduated steps through 2017.
- [HB 2009](#) Increases Oregon minimum wage rate in graduated steps to \$15 per hour by 2018.
- [HB 2012](#) Increases Oregon minimum wage rate in graduated steps to \$13.50 per hour by 2017.

Here are the Senate bills:

- [SB 327](#) Increases Oregon minimum wage rate in graduated steps through 2017.
- [SB 597](#) Increases Oregon minimum wage rate in graduated steps to \$13.50 per hour by 2017.
- [SB 610](#) Increases Oregon minimum wage rate in graduated steps to \$15 per hour by 2018.
- [SB 682](#) Increases Oregon minimum wage rate to \$10.75 on January 1, 2016.

- [SB 130](#) Repeals state preemption of charter and statutory authority of local governments to set minimum wage requirements.
- [SB 332](#) Repeals state preemption of charter and statutory authority of local governments to set minimum wage requirements.

Our clients are seniors and I know we all want to support the well-being of our seniors. Please understand that with increasing minimum wage there will be two very negative effects on seniors:

- 1) Seniors who are on a fixed budget that can afford the care we are providing now will no longer be able to afford our services with a 25% rate increase. They will be forced to move out of their home into an institutional setting. 90% of our seniors would prefer to remain in their home as long as possible. Where would you like to be when you have care needs?

- 2) With our rates going up some seniors will seek to hire private (under the table) home care workers. This black market exists today in all areas in Oregon and the only way to combat it is to make it as easy as possible for State licensed and regulated home care agencies like mine to compete with the unregulated market. We pay taxes that support the state and its programs and the unregulated industry does not. All of our caregivers are carefully screened, trained, and supervised. There is no such level of consumer protection with the unlicensed market.

Lastly, it goes without saying that if you increase minimum wage, state unemployment rates will go up. This is a direct relationship. Let me state it again, if you raise minimum wage more Oregonians will be out of work. The more you increase minimum wage the more unemployment will go up. This is a fact because business owners that are mandated with higher labor costs will look to be more efficient and eliminate jobs to help cut costs in order to stay cash flow positive.

In summary, please reconsider increasing minimum wage in Oregon. If you must raise it this session, then please consider increasing it as slowly as possible to help reduce the unintended consequences on seniors who would like very much to continue to stay in their homes.

Thank you very much for your time and consideration.

Sincerely,

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