

BOARD OF COUNTY COMMISSIONERS

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February 4, 2016

Governor Kate Brown Oregon State Capitol 900 Court St NE, 160 Salem, OR 97301

Re: Testimony for Senate Bill 1532

Dear Governor Brown:

We are writing to you today to express our concerns over the minimum wage proposals being considered by the Oregon State Legislature. In our review of the information available to us, we believe the various proposals being considered are financially irresponsible; we also believe they could violate Article XI, Section 15 of the Constitution of the State of Oregon.

Our initial analysis is that the cost statewide to local government is in the range of \$450 to \$500 million dollars a year.

Article XI Section 15 of the Oregon Constitution prohibits unfunded mandates on local government. We've not heard of any conversations addressing the fiscal impacts of the Governor's proposal on state and local government or any discussion on how to avoid a potential violation of Article XI Section 15 of the Constitution which you took an oath to uphold.

Additionally, the McMinnville Chamber opposes the proposed legislature in <u>SB 1532</u>, <u>SB 1592</u>, and <u>HB 4054</u> to raise the minimum wage. All businesses should have the autonomy to pay their workforce at the level they deem economically sustainable. We believe mandated wage increases outside of what is already in place in Oregon will hurt the economic sustainability of our local business climate, do a disservice to our most vulnerable workforce participants, and will not achieve the desired outcomes that the authors and supporters wish to achieve.

Based on both the State Constitution and the lack of financial resources to pay for a minimum wage increase, we request that you forego taking action on a minimum wage package in the upcoming 2016 session.

Sincerely,

Mary Starrett, Chair

Stan Primozion, Vice-Chair

Allen Springer, Commissioner

cc: email to Senate Workforce Committee Administrator Jan Nordlund; and Committee Administrator Assistant Ashley Clark