

February 14, 2016

The Hon. Paul Holvey, Chair House Committee on Business & Labor Oregon State Capitol 900 Court St. NE Salem, OR 97301

RE: SB 1532-A

Dear Chair Holvey and Committee Members:

The Oregon Fairs Association joins with numerous business organizations, agricultural interests, local governments, and others to express strong opposition to SB 1532-A and the significant minimum wage increases that it would impose.

SB 1532-A would significantly increase payroll costs—some fairs estimate as much as a 24% increase—for our 37 member county and state fairs at a time when overall funding is extremely uncertain. In addition, the increased wage requirements would force the small businesses that provide entertainment and services to our fairs to drastically increase their costs or avoid Oregon fairs entirely.

Most fairs in Oregon operate on very slim budgets and rely heavily on very seasonal, part-time employees. In 2015 Oregon fairs reported having 811 part-time employees—eight times more than the 101 full-time employees. With significantly higher payroll costs, fairs will have no other option but to decrease the number of people who supplement their other income sources through this part-time work.

When Oregon voters approved Ballot Measure 25 in 2002, the promise was that the substantial minimum wage increase imposed by the measure and the subsequent automatic annual cost of living adjustments would "solve" the perceived lag of the minimum wage behind cost of living growth. These laws have resulted in Oregon having the nation's second highest minimum wage law.

SB 1532-A goes too far and will have widespread consequences—we strongly urge you to abandon the bill as it now stands. There are far too many uncertainties in the analyses provided thus far to take such a drastic step.

Thank you for your consideration,

Kelly Ross, Executive Secretary