

February 15, 2016

To: House Committee on Business and Labor From: Anthony K. Smith, State Director, NFIB/Oregon

Re: Please vote NO on SB 1532 A

Chair Holvey, Vice-Chairs Buckley and Kennemer, Members of the Committee,

On behalf of nearly 7,000 Oregon small business members of the National Federation of Independent Business (NFIB), I urge you to oppose SB 1532 A, a proposal to increase Oregon's minimum wage that will hurt the people it's designed to help most, and at the expense of all Oregonians.

Please keep in mind that NFIB represents small businesses in every industry of Oregon's private sector, and while 75 percent of NFIB/Oregon businesses have fewer than 10 employees and 90 percent have fewer than 25 employees, our small business-members employ over 60,000 Oregonians.

Controlling costs are a key part of running any business, but labor costs can only increase so much until small business owners have to make some very difficult decisions, none of which will help those businesses grow. They would have to decide whether to reduce hours for employees, raise prices on customers, make a reduction in their workforce, or relocate their business elsewhere in search of a more competitive labor market. They may even have to consider closing the doors completely.

Oregon small businesses are concerned about the effects that a much higher minimum wage would have on their communities. They are concerned that mandatory higher wages would prevent them from being able to hire those who need jobs the most. They are concerned that school districts will have less to spend on educating kids and that local governments will be faced with cutting services or raising taxes.

They are also extremely worried about how an increase in the minimum wage would affect their customers, many of whom are seniors and others on fixed incomes, unable to afford price increases on the essential products and services that they offer their communities.

Again, on behalf of the thousands of NFIB member-businesses in Oregon, and the tens of thousands of jobs that depend on them, I ask you to vote NO on SB 1532 A.

Thank you for your consideration,

Anthony K. Smith

NFIB/Oregon State Director