

February 15, 2016

House Committee on Business and Labor  
900 Court Se. NE  
Room HR F  
Salem, OR 97301

RE: SB 1532 A – Minimum Wage Bill

Dear Chair Holvey, Vice-Chairs Buckley and Kennemer, Committee Members:

My name is Corban Enns, and I live and work in Salem, Oregon. I am writing on behalf of other entrepreneurs like myself who have worked hard to create businesses in Oregon that offer employment to single moms, young professionals, and seasoned technicians. I own an insurance agency as well as a software development company. However, that was not always the case.

I started my first businesses at the age of 25 without a college degree. I worked at a restaurant, making minimum wage, and took out loans to go to school. I used some of my loans to start my first business, an insurance agency. I worked from home while going to school and secured my degree in business and grew my business. I worked over 40 hours a week often during this time trying to earn as much as possible during this time in my life.

I am not the sharpest tool in the shed. If I can do this, so can others. It is called hard work and dedication. I worked at other jobs making minimum wage, or pennies above and furthered my skills. I learned how to take on responsibility, how to work hard, and how to seek out opportunities to better myself. I moved from lower earning positions to better-paying positions. Furthermore, I sought out other job opportunities that would compensate me further as well as grow my professional skill sets. I would argue that minimum wage IS an entry level wage for MOST employees. Most organizations will compensate a higher when an employee shows they deserve more. Keyword, deserve.

I employ about 30 people here in Oregon. For my employees, none of them make minimum wage, and each has a range of experience and education. No one starts at minimum wage. We offer benefits, other than state mandated, of paid time off, sick time, retirement matching, and health benefits. No one forces me, or my business to do this. I desire to provide as much as I can afford to my employees.

This forced increase will hurt my employees as the cost of living will increase overall. They will all seek to have their wages increased equal to that of the minimum wage increase. Now, new employees will make more than my entry level position that has been with me for two years. Wage compression is a serious concern for our industry as more qualified individuals will be hurt by any minimum wage increase.

The first 5% increase will cost me \$21,381 for my current employees. I cannot increase the minimum wage and not provide the increase to my seasoned staff members. The 5% mandatory increase does not address any cost of living increase that would, or already has been, provided to employees. Furthermore, the performance raises I provide will have to be on hold because now everyone, even those who are not hard workers or didn't hit their performance thresholds, are will take his or her pay raise. That just isn't fair business; that is legislation doing more than they should.

As an insurance agency, our product is heavily regulated, and we cannot raise the cost of our product to help offset the costs of operations. Our only way to absorb the cost would be to sell more. However, we sell products and compete on a national scale. Our business is competing against other employers that don't have to compensate their employees as highly. The challenge of selling more is burdened by losing the ability to bring on more employees because we can no longer afford them.

As a technology startup, we are not paying any of those employees minimum wage. In fact, they make close to six figures for some roles. However, this bill, along with the overall climate for small businesses in Oregon has caused concern for creating more businesses in Oregon. The legislative focus on forcing business to provide more, vs. allowing the employers to pay what the economy demands, makes starting new businesses in Oregon a serious problem.

We have looked to hire additional talent outside of Oregon in states that are more favorable for small business development. If our small technology company has taken this approach, then how many others are doing the same thing? This is something that we cannot predict, and we'll only realize the loss once it is too late.

Please, do not pass any minimum wage bills, and especially not via an emergency status.

Respectfully yours,



Corban Enns  
Surety Solutions, LLC  
C&L Investment Properties, LLC  
C&L Management & Investments, Inc.  
Agency Multiplied, Inc