



March 30, 2017

Dear Chair Lively & Members of the House Committee on Early Childhood and Family Supports,

**The Oregon State Chamber of Commerce represents 84 local Chambers of Commerce and 24,000 local businesses in every corner of Oregon.** OSCC opposes HB 3087.

Coupled with recent increases in minimum wage and a new paid sick leave mandate, it is unrealistic to believe that a 'paid family leave' mandate can be layered on top without significant loss of small business and employment in our local communities.

Most businesses support the concept of family leave. Many already offer paid leave that can be used for extended family-related absences. But HB 3087 creates conditions that would make it costly and difficult for businesses - especially small ones - to plan and manage their operations.

The requirements of HB 3087 would hurt local employers.

- Every business in the state would be affected, even those with only one employee. Leave requirements are especially hard on small businesses, because they have fewer options for replacing workers who are off.
- The length of leave is generous - 12 weeks, with an additional six weeks for parental leave. Combined with the wide range of qualifying reasons, this could leave some small businesses short-staffed for much of the year.
- HB 3087 is a new tax on both employers and employees. The bill calls for a 0.5% tax increase on both employee income and employer payroll.
- Employers will be required to file annual reports to the Department of Revenue on employee hours worked and amounts due to the family leave fund. The time required to do this will impose additional hardship on small businesses.
- Paid family leave would be provided on a first come, first served basis. If/when the money runs out, paid benefits would not be available to those who've paid into the system.

OSCC sees this as yet another mandate that impacts the ability of small businesses to run their operations without a hit to the bottom line.

Please oppose HB 3087.

Sincerely,

A handwritten signature in blue ink that reads "Alison Hart".

Alison Hart  
Executive Director  
Oregon State Chamber of Commerce

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