## VanMouwerik Reid

From: Sunny Drake <drsunnydrake@gmail.com>

**Sent:** Monday, March 25, 2019 4:49 PM

**To:** SWF Exhibits; HBL Exhibits

Subject: HB 3031

Dear House Senators:

As a small business owner this bill, HB3031 concerns me!

I absolutely think this would unduly burden some too small employers.

Not only can we NOT hold an employees position for 90 days, but we can also not find adequate or good help for that long and still hold the employee's position. This bill is financially and physically not possible for a small practice of 3 employees!

Please reconsider voting for this bill!

Dr. Sunny Drake

The message about the bill sent to me below:

URGENT INFO FOR BUSINESS OWNERS IN OREGON!!! This bill could KILL many small businesses. Forward this and take action now!!!

If you have 1 or more employees, you might want to know about House Bill 3031 which is likely the most aggressive paid family and medical leave legislation under consideration in the country. This bill would fund up to 32 weeks of paid and protected leave for Oregon employees. If you want to let legislators know how you feel about this bill, you must write in TODAY! You can email the following:

Chair Jeff Barker, House Business & Labor Committee: hbl.exhibits@oregonlegislature.gov

Chair Kathleen Taylor, Senate Workforce Committee: swf.exhibits@oregonlegislature.gov

Here's what you may want to know about this bill:

Applies to employers with 1+ employees

Mandates 32 weeks of paid and protected family and medical leave each year

Creates a state-run family insurance program administered by the Department of Consumer and Business Services Establishes new payroll tax of up to 1% to pay for the family-leave insurance:

0.5% paid by employers

0.5% paid by employees

As you can see, unlike most other family leave programs in the country, HB 3031 would require employers to pay 50% of the cost of the employee benefits program regardless of existing benefits.

Unlike the Oregon Family Leave Act (OFLA), which provides protected leave in workplaces of 25 or more employees, HB 3031 applies to employers with just ONE employee!

There also is a price tag to pay for additional state employees, office space, and the data infrastructure that would be needed to administer a state-run family leaves insurance program. Last year, a workgroup on paid family leave estimated that similar proposals would require an additional 242 state workers and extensive IT development

process.

HB 3031 would more than double the amount of time that employers would have to find coverage for an absent employee! Many employers would turn to other employees and pay overtime, hire temporary employees, employ new technology, or simply lose productivity while the employee is out on leave. HB 3031 also doesn't require leave to be taken concurrently with OFLA, which means that employees still could qualify for unpaid leave after using up the 32 weeks of paid leave. This increases the uncertainty and risk for local businesses.

Requiring an employer to maintain a job for an employee who is absent up to 32 weeks each year also requires the employer to maintain that absent employee's non-wage benefits. Failing to continue to provide healthcare, vacation, and other non-wage benefits would be deemed discriminatory. It would be impossible for most small businesses to do what HB 3031 asks of them.

Expanded definition of 'family' increases the costs of the program. We question how the proposed family-leave insurance fund would sustain itself. It is unclear whether the proposed payroll tax rate would generate enough money to cover the long benefit period and expansion of eligible uses, which will undoubtedly result in wider use of the program. The expanded definition of 'family' in HB 3031 must be analyzed by an actuary to determine the real costs of the proposed benefit.

Employer contribution and benefit requirements burden local governments. HB 3031 doesn't just apply to the private sector—the mandate extends to local governments and school districts



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"Life is 10% what happens to you and 90% how you react to it." - Charles R. Swindoll.