

Testimony on HB 3031

I testified in person on Monday March 25, 2019. I am an insurance broker and small business owner in Salem, Oregon. I am against this bill as written. I like the idea of offering this kind of benefit to employees, but as a practical matter it would create huge problems for small business. In my business I work with about 60 small businesses. Every one of these business owners that I have spoken to about this is in strong opposition to the bill. I came to the committee meeting because most business owners are still working at that time (5:30 in the evening). Part of my job (as I see it) is to advocate for my clients. In my testimony, I spoke about my own business. For about 20 years, I have had one very important employee. By the way, I provided a very liberal paid time off program and short and long term disability coverage. I protected her paycheck. And yes, I paid for all of that. However; if she had taken 12 weeks off for maternity and then another 14 weeks for parental leave, it would have been devastating for my business. She is very specialized in her skill set. Can't just hire a temp.

Here are my main objections to the bill:

- 1) Applies to businesses down to 1 employee (even self-employed). There are sound reasons that the Federal Medical Leave Act applies to businesses with 50 or more employees. Oregon's Family Medical Leave law applies to businesses with 25 or more.
- 2) The length of parental leave is too long. 6 months is too much and there is another 6 weeks if there were extreme complications from a pregnancy. Yes, parents do have to choose if they want a career or be a full time parent.
- 3) I haven't heard anyone talking about the challenges and cost of administering this benefit. I work in the world of employee benefits. You propose to start this new program from scratch (I remember Cover Oregon). DCBS does not have anyone that can administer this. You need to track the money collected, monitor eligibility for the benefit, assess claims, calculate the benefit, make payments, and monitor when benefits end. I'm sure there are many other considerations that I have missed! How many state employees will you have to hire to do this?

We have programs in this state that we have not been able to sustain. We have more pressing challenges. Last but not least, you are asking businesses and employees to shoulder the financial burden of this. I can assure you that this will cost more than you think.

Respectfully,
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