



Date: March 14, 2023

To: Chair Holvey, Vice-Chair Elmer, Vice-Chair Sosa, and members of the committee

From: Cathy Bless, Chief Human Resources Officer
Bureau of Human Resources

Subject: **Letter of Support for HB 3205 - Modifies definition of "compensation," for purposes of pay equity requirements, to exclude hiring bonuses and retention bonuses.**

According to information released by the U.S. Chamber of Commerce on February 22, 2023, almost 3 million fewer workers are participating in the labor force than in February 2020. The number of available jobs vastly exceeds the number of candidates looking for work. In addition, employed workers are well aware of their competitiveness in the market and are weighing a potential wage increase against the disruption of looking for work elsewhere. HB3205 provides a path for employers to recruit and retain individuals in today's fiercely competitive market environment. The bill is especially critical to the public sector where funding can be limited. The ability to provide a one-time lump sum to existing employees to accommodate a new hire bonus is not an option due to budget realities. Similarly, fiscal constraints make it difficult to provide a retention bonus to all employees performing comparable work to retain the single employee with an outside job offer. By removing hiring and retention bonuses from the pay equity calculation, employers will have the tools we need to carry out critical business functions. In the mission and service-driven public sector, this has far reaching impacts to the constituents we serve.

Cathy L. Bless

Cathy Bless, Chief Human Resources Officer

3/14/2023

Date

Ted Wheeler, Mayor

We are an equal opportunity employer

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