

6075 Ulali Drive, Suite # 102 Keizer, Oregon 97303 www.keizerchamber.com

February 16, 2015

SUBJECT: Keizer Chamber of Commerce Opposes Mandatory Paid Sick Leave – House Bill 2005 / Senate Bill 454

Dear Senate Chair Dembrow and House Chair Holvey;

Our Keizer Chamber of Commerce represents 380 members, who employ 15,000 family-wage earners in the mid-Willamette Valley region. We are the local body shops, beauty shops, family-owned restaurants, garages, newspapers, health care providers, sign-makers, attorneys, and countless other small businesses who pride themselves on being competitive and keeping people working.

We oppose any mandates to paid sick leave provided for in HB 2005 and SB 454 for the following reasons:

- 1. Both bills represent a new payroll tax on small business with as few as one employee. Local small business trying to compete with larger businesses and out of state firms are put at a competitive disadvantage when they are saddled with such mandates.
- 2. Both bills represent significant management problems for employers who will now have to manage the new leave benefit in 1-hour increments per employee.
- 3. Our members, as employers, exercise flexible leave policies, relying on compassion for the employee's health and home-care situations. Mandating a fixed benefit for employees would create an HR standard which would have less value for the employee than they enjoy now.
- 4. Both bills will force small employers to reevaluate their compensation practices and employee benefits in order to accommodate the cost of the new sick leave benefit. We have established strong trust relationships with our most valued

assets – our employees. Artificially prioritizing sick leave will break that trust relationship.

5. Our community and local economy grow when our businesses grow. Our local economy is not strong enough for employers to incur these added payroll and managerial costs without negative ramifications for business growth and employment.

Keizer and the Salem area region business are still struggling to regain lost ground in this last recession. We need opportunities for growth, improved benefits for our employees, and for financial stability. HB 2005 and SB 454 are bills which threaten our abilities to increase the number of our employees and their compensation/benefits.

Government Affairs Committee