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SUBMITTED BY: MIKE NESE ++

Below is the email I sent to all State Representatives and State Senators:

Dear:

As a small business owner, I was very vocal in my opposition to the Eugene Paid Sick Leave Ordinance. Now that the issue is moving into the State legislature I hope that my voice, along with those of many other small business owners, will finally be heard as it was not in Eugene.

I believe the Oregon Legislature intends to implement some form of paid sick leave. I stand opposed to such an ordinance if it is modeled after the one-size-fits-all ordinance seen in San Francisco, Seattle, Portland, Eugene and other localities. A simplistic ordinance trying to address every worker in every situation does not achieve the ultimate goal of a sick leave ordinance and such an overly broad ordinance is extraordinarily harmful to small businesses.

As a small business owner who attended hours of testimony and meetings on this subject in Eugene, let me propose an alternative which would satisfy most business owners while still achieving the stated aim of any sick leave law:

1) Set a minimum number of hours in order to qualify for paid sick leave. Just as the Affordable Care Act does, recognize that part-time workers and those working just a few hours per week have different needs and different opportunities to make up time missed for sickness. If a part-time worker needs to go to the doctor they can trade with another part-time worker and not be hurt monetarily. We employ hundreds of part-time workers at Papa's, and we have for over 40 years, and I know with 100% certainty that part-time workers never have to suffer the short-term loss of any pay if they want to make up hours they miss for illness, family matters or just because they want to go to a movie.

If you set a 30 hour per week minimum in order to qualify for sick leave then you are truly protecting those workers who will suffer if they miss a day's work. Focus on those workers who need protection, not those who will be given an unnecessary and unneeded benefit.

2) Do not try to implement a complicated, earned by the hours worked, sick leave qualification standard. At Papa's we offer vacation time (which will become PTO) to any employee working 30 hours or more per week for one year. I know you will think a year is too long, but what's wrong with simply saying that any qualified employee earns 10 hours of sick leave (PTO) for every 360 hours worked? That would be approximately 3 months so at the end of a year the employee would have earned a total of 40 hours of sick leave and they would get that every year thereafter pro-rated if they quit in the middle of the year.

I have attached to this email an excel document showing the breakdown of our staff at our Springfield parlor ONLY. Other Papa's parlors are similar, and this attachment shows exactly how our staffing breaks down in terms of 30 hours plus and less than 30 hours.

66 Total Employees + Three full time managers.

- ---One supervisor works over 40 hours per week
- ---Four employees work over 30 hours, one of them a student. The other three depend upon Papa's for their sole support and I would have no problem providing paid sick leave for them. They already get one or two weeks of paid vacation.
- ---The remaining 61 employees do not depend upon their job at Papa's to support themselves or their family. Most of them work a two or three or four hour shift, and if they miss a shift and need the money *they can trade into another shift!*

Benefits we already provide:

Papa's provides the benefits that our employees want and benefits which help us to retain staff. Those benefits include

- ---paid bereavement leave
- ---paid vacation for those working over 30 hours and for long term short hour employees
- ---free food to all employees working over three hours
- ---flexible scheduling to work around school and social activities
- ---flexible shift trading so employees can make up hours lost for sickness (or for going to a party or a dance or a ball game or skiing or anything else they want to do)
- ---wage caps above minimum wage
- ---yearly bonuses to all employees
- ---enrollment in our 401k retirement plan for all employees over 21 years of age working over 1,000 hours per year
- ---company picnics and holiday parties
- ---25% discount on up to \$100 of food per day for all employees when they are off work
- ---sick leave for salaried managers, paid disability leave for salaried managers, long term paid disability leave for salaried managers.
- ---we have set up a scholarship fund available to a limited number of employees (and children of employees) selected by the Oregon Scholarship Association.

Many of the objections to existing ordinances center around the complications involved in tracking hours and front-loading and trying to keep track of hours earned. My proposal can be done with a pen and a notebook and is neither confusing nor onerous and does not require any complicated software to track.

3) As a part of your ordinance include language which makes it a violation for any employee to be allowed to work sick and a violation for any business to fire an employee for taking time off to care for a family member or themselves. This would protect part-time workers and would achieve all of the goals of a sick leave ordinance without forcing business to foot the bill for part-time workers. BOLI could be the enforcement mechanism of such an ordinance and nothing would change in terms of violations being complaint driven.

You have to understand that many, many part-time workers are young, inexperienced workers who we take pride in molding and integrating into the workforce. If you give them sick leave (PTO) they will abuse it! One of the most common issues we have to deal with at Papa's is employees calling in for false reasons or for missing a shift without notice (or coming in late for a scheduled shift). If you have those actions protected through a sick leave ordinance you will handcuff our efforts to train and mold these young workers and you will truly hurt their ability to move into the workforce. Proponents of sick leave always say that if any employee abuses sick leave then that would not be an employee you would want. That's just not true! Employees make mistakes, part-time young employees in particular, and the only way we can make them understand the nature of holding a job is if we have the flexibility to correct their mistakes; guide their performance; and discipline them if necessary. Most every current ordinance would completely destroys our ability to do this and these young workers would suffer.

4) During the Eugene sick leave debate, I asked Counselor Syrett a question regarding sick leave. My question was "Most of my employees work part-time flexible shifts. They might start at five pm and work until 7 pm on a slow night or 10 pm on a busy night. If that employee calls in sick, how much sick leave will they use? I might want to give them two hours and the employee would want to use six hours and neither one would be correct." To this day that question has not been resolved and I bring it up now to make the point that my compromise proposal eliminates the need to even deal with this concern. For many businesses this is one of the biggest objections to your proposed ordinance and this hurdle would disappear if you set a 30 hour minimum for your PTO ordinance.

The Oregon Legislature has an opportunity to craft a national model for sick leave! You can work with small businesses like mine and come up with a sick leave ordinance which does not harm us and which we can support, or you can choose the path of the

cities and force all businesses to suffer under an onerous sick leave mandate which will cost us thousands of dollars. I beg you stop bowing to the vocal minority of activists who ultimately want only to put more and more expensive rules and regulations on businesses. You have the chance to truly craft a compromise which could be supported by everyone involved, and you need to take this chance. I assure you that an ordinance similar to what I have proposed would be supported by many (if not most) businesses and I would be as vocal a supporter of this new compromise ordinance as I have been an opponent of the Eugene/Portland ordinance. You have the opportunity to bring business and labor together and you will be the ones who will be noted as the true champions of both labor and business.

Thank yo	u for	vour	time.
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Respectfully,

Mike Nesbitt