



FOR IMMEDIATE RELEASE

March 24, 2015

Oregon 'Job Killers' List Identified

A coalition of Oregon industry, agricultural and small business advocates released a list of "job killer" bills today calling attention to the cumulative impact that the proposals will have on Oregon's job climate and economic recovery.

As a group, these bills pose a serious threat to Oregon's economy and job growth by imposing costly new mandates on employers, both large and small, across the state.

The 2015 "Job Killer" list follows:

2015 Job Killers

SB 19 Expands Liability for Wage Claims

Exposes shift supervisors, bookkeepers, farm labor contractors, farmers and others to the potential liability of wage claim allegations, even when based on honest mistakes. Also adds criminal liability to civil wage claims.

SB 454 Implements Statewide Mandatory Paid Sick Leave

Increases employer mandates by requiring employers to provide employees with paid sick leave, and threatens employers with statutory penalties as well as litigation for alleged violations.

Counterpart: HB 2005

SB 718 Allows Liens on Personal Employer Property

Creates a dangerous and unfair precedent in the wage-and-hour arena by allowing employees to file liens on an employer's real or personal property, based upon alleged yet unproven wage claims.

SB 845 Imposes New Fees on Large Employers

Requires employers whose employees obtain health insurance coverage through a public program to pay a fee to the state for that coverage.

Continued...

HB 2007 Adds Employer Liability for Wage Discussions

Creates a new unlawful employment practice against an employer who takes any negative employment action against an employee for discussing or disclosing "in any manner" his or her wages or those of another employee.

HB 2009 Increases Statewide Minimum Wage

Increases Oregon's current minimum wage from \$9.25 to \$15 per hour by 2018. *Other minimum wage bills: SB 130, SB 327, SB 332, SB 597, SB 610, SB 682, HB 2004, HB 2008, HB 2012*

HB 2386 Authorizes New Cease & Desist Authority for BOLI

Subjects employers to potentially unjustified imposition of cease & desist orders by Bureau of Labor and Industries, which, once issued, could require costly court proceeding to have removed.

HB 2540 Requires Prevailing Wage in Enterprise Zones

Eliminates the incentive to build projects inside Enterprise Zones by requiring prevailing wage to be paid on any privately owned projects developed on private land.

HB 2606 Expands Family Leave for Siblings

Adds siblings as an additional category of family members for whom a worker may take leave to provide care.

HB 2764 Increases Workers' Compensation Costs

Unravels certain cost-saving provisions and resulting benefit increases due to Oregon's 1990 Workers' Compensation reforms, resulting in employers paying nearly 5% increases in workers' compensation system costs without any expectation that increases will be offset by system savings.

HB 3377 Mandates Predictive Scheduling

Requires employer to establish "mutually acceptable work schedule" upon employee request for a flexible or predictable work schedule. Mandates employers provide alternative work schedules. *Other predictive scheduling bills: SB 888, HB 2010*

Associated Oregon Industries (AOI)
Associated General Contractors (AGC)
Independent Insurance Agents and Brokers of
Oregon (IIABO)
Medford Chamber of Commerce
National Association of Insurance and Financial
Advisors (NAIFA)
National Federation of Independent Business
(NFIB)
Northwest Food Processors Association
(NWFPA)
Northwest Grocers Association (NWGA)
Oregon Dairy Farmers Association (ODFA)

Oregon Farm Bureau (OFB)
Oregon Forest Industries Council (OFIC)
Oregon Home Builders Association (OHBA)
Oregon Metals Industry Council (OMIC)
Oregon Restaurant & Lodging Association
(ORLA)
Oregon Seed Council (OSC)
Oregon State Chamber of Commerce (OSCC)
Oregon Trucking Association (OTA)
Oregon Wheat Growers League (OWGL)
Oregonians for Food & Shelter (OFS)
Salem Chamber of Commerce

The above mentioned bills have been identified as job killing bills based on the official legislative language drafted as of March 20, 2015.

Legislation included on the "Job Killer" list released today will change throughout the session as bills are amended or new language is introduced.

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Minimum Wage -- A Business Perspective

We all recognize that raising Oregonians' median wage and increasing the earning power of low wage workers are critical next steps for Oregon's recovering economy. Our state's business community stands ready to work together to accomplish this laudable goal.

In fact, the Oregon Business Plan lists several proven ways to create jobs and elevate incomes. Examples include training Oregonians for higher wage jobs; investing in transportation, water and other infrastructure improvements that allow businesses and communities to grow; and supporting rural food and forest products industries. These policies would truly lower the unemployment rate and increase median family incomes.

Will a Minimum Wage Increase Really Help?

There is a great deal of rhetoric on both sides of the minimum wage debate. Does a higher wage actually place additional income in people's pockets, or merely raise the cost of food, childcare and other basic living expenses? Will minimum wage earners really be better off than before the raise occurred?

The fact is, Oregon remains above the national average in unemployment, poverty, and child hunger – despite having one of the highest minimum wages in the nation.

An editorial in *The Oregonian* earlier this year stated, "It's equally hard to argue that the minimum wage has made much of a dent in poverty. And it clearly hasn't done much to boost the state's per capita or median household incomes, both of which lag the nation."

Fix the Benefits Cliff

Like Oregon employers, backers of higher minimum wages want to directly help people living solely on minimum wage. But there are better ways to reach that goal. To start, the Legislature could fix the programs that create the "benefits cliff," encountered by low wage earners as their incomes go up. The best single statement on this may have come from the *Bend Bulletin*, which said: "The most immediate problem is actually the benefits cliff, not Oregon's minimum wage. Kitzhaber suggested a gradual reduction in benefits might make more sense than a cliff."

In the past, most stakeholders have agreed that expanding the earned income tax credit and revising eligibility thresholds for safety net programs would provide more money for lower wage workers, without necessitating reduced hours.

Support the Emerging Workforce

Oregon added tens of thousands of new jobs while recovering from the Great Recession, but recent job growth completely overlooked younger workers. There were actually fewer workers ages 14 to 21 in 2012 than in 2010, according to a study done by the Oregon Employment Division entitled "Endangered: Youth in the Labor Force." Yet studies have consistently shown that when teenagers enter the job market earlier in life, their earning potential increases over their lifespan.

Additional increases in the minimum wage, over and above current annual indexing, will create employee management and pricing problems in industries that are a training ground for employees entering the workforce.

There are different ways to address the end goal. The Federal Fair Labor Standards Act has provisions, which are implemented in 40-some states, which would help businesses manage their hours as it relates to tipped employees and minors entering the work force. By applying these provisions around tips and youth employment to future increases, Oregon employers would have an improved management environment for helping young employees get started in the workforce.

Plan for Growth

If our goals are to improve Oregon's median wage and increase the earning power of low wage workers, there are better approaches than a simple minimum wage increase.

Oregon already has a higher than average minimum wage, but also high unemployment and poverty rates. A higher minimum wage won't help the unemployed, nor will it improve life for the working mother who stands to lose a childcare subsidy if her income increases and her childcare costs increase.

Instead of just mandating a minimum wage increase, this Legislature should focus on creating more and better job opportunities for under and unemployed, fixing programs that lead to a benefits cliff, and helping individuals enter the workforce better trained, and at an earlier age.

It's most vital that the Legislature work with businesses in Oregon to achieve wage growth. At the end of the day, we all want the same thing – more prosperity for all Oregonians.

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