

Dear Legislative Assembly Members,

The Main Street Alliance of Oregon, a coalition of over 4,000 small businesses across Oregon, supports HB 2005-B. At some point, nearly everyone needs time away from work to recover from a serious illness or care for a sick loved one or new child. Unequal access to paid leave reflects structural inequality, with lower-paid employees and employees of color, less likely to have access. Lack of paid leave forces working people to make the impossible choice between their paychecks and their families.

state's workforce. Many of these business owners want to provide earned benefits like paid family and medical leave, but lack the capital and the scale to provide those benefits. Moreover, many small businesses are losing talented employees to large corporations, which wield the market power to give good benefits to top managers but are squeezing everyone else with lowwage, uncertain jobs.

"Small business owners care deeply about their employees... With a paid family leave program, Oregon can take a critical step toward supporting healthy family development. Allowing adequate time to adjust to life with a new addition to the family is an investment nearly every other country has made. And the health benefits and long-term impact of bonding for babies and parents are irrefutable." Says Jim Hauser, small business owner and Main Street Alliance member.

Paid family and medical leave laws make paid leave affordable and accessible to small businesses, both leveling the playing field between small businesses and large corporations and increasing economic security for small business owners and their employees. House Bill 2005-B would help strengthen small business' bottom lines.

Paid leave contributes to reduced turnover and higher employee morale and loyalty, leading to productivity increases and significant cost savings for small businesses. Replacing employees is expensive: turnover costs are estimated to average one-fifth of an employee's annual salary. Paid leave increases employee retention by encouraging employees to stay in the labor force and with the same employer, leading to significant employer cost savings through reduced turnover expenses.

Small business owners themselves need paid family and medical leave. They, too, have new babies and ailing partners or parents, and often cannot afford to take unpaid leave. Their cushion maybe razor thin, and a single accident or a medical emergency could jeopardize the health of a small business and throw a business owner into financial ruin, just like their employees. Under HB 2005-B, small business owners would have a guaranteed revenue source while out on leave, allowing them to take care of themselves and their family without risking their business.

Paid Family and Medical Leave goes right back into the local economy, boosting consumer demand at small businesses, as working people spend their increased earnings to cover the basics. When individuals do not have access to paid leave it impacts their spending and consumption patterns. People lose \$20.6 billion annually in lost wages because of lack of paid leave. When they take unpaid leave, employees give up income they need to pay bills, buy groceries and support their families. Those who take unpaid or partially paid leave reported putting off spending, resulting in hardship for families and lost income to small businesses. Business owners cite weak sales as the biggest problem for their business and the economy, and ensuring that employees have their consistent wages means that consumer demand won't decrease with each illness or family event or emergency.

Main Street Alliance surveyed business owners about best practices to better support their workforce, improve the economy and reduce inequality. The results showed overwhelming support for family- friendly workplace policies. The widespread support for a solution to the lack of access to paid family and medical leave in Oregon and nationally, particularly among those that do not currently offer these policies, indicates an important role for public policy and affirms the steps this body has taken to act on Paid Family and Medical Leave this session.

The Main Street Alliance applauds the efforts by the Oregon State Legislature to pass an inclusive Paid Family and Medical Leave bill as well as the work done by a vast table of stakeholders, including community and business interests, representing every corner of the state.

Thank you for your support.