



February 12, 2024

Chair Holvey, Vice Chairs Elmer and Sosa and members of the committee,

The Oregon Education Association represents over 40,000 educators and education service professionals across the state, from pre-k through our community colleges. Our members are teachers, bus drivers, custodians, teacher assistants, nutrition specialists, community college faculty and staff, and more.

As worker advocates, we care deeply about adequately and fairly paying workers for their labor. This will also take us many steps back in evening the playing field for historically and currently marginalized workers – workers of color, women, immigrants, workers with disabilities and more.

There are significant concerns about HB 4050.

In adding “business necessity” as a factor for why an employer could pay workers differently, we fear that this bill will open the door for bonuses – or base compensation in general – to be driven by factors other than output, seniority, merit, location, travel, education, training, experience, or the stipulations of a collective bargaining agreement -- all of which are already allowable under our Pay Equity law.

For example, under HB 4050 an employer could offer a “retention bonus” to a worker who got a new job offer at a different workplace. However, data bears that workers with more privilege – namely whiter and wealthier workers and those who are not caregivers – have more time and resources to look for other jobs. These systematic and implicit barriers to equal pay are exactly what Oregon’s Equal Pay Act was designed to work to address.

Consequently, given the vagueness of the term “business necessity” and the broadness of the application of this factor across all pay differentials, we have significant concerns that HB 4050 would change what is current unlawful discrimination into allowable pay differentials under the guise of “business necessity,” and stand to worsen the wage gap that we have worked so hard to address in Oregon. The -1 amendment would further the inequity in pay by putting the onerous of proof that there is an alternative policy on the worker, but a “reasonable” one.