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February 12, 2024

To: The House Committee on Business and Labor  
From: Anthony K. Smith, National Federation of Independent Business  
Re: NFIB Written Testimony in Support of HB 4050

**Chair Holvey, Vice-Chairs Elmer & Sosa, and Members of the Committee:**

On behalf of the thousands of Oregon small business members of the National Federation of Independent Business, many being the smallest of small businesses, I would like to express our support for HB 4050, which would give Oregon employers additional flexibility under Oregon's Pay Equity law by allowing for a pay differential so long as it does not discriminate based on a specified protected class, it is consistent with a business necessity, and it fulfills the underlying purpose of that business necessity.

According to [NFIB's January 2024 nation-wide jobs report](#), 55% of business owners reported hiring or trying to hire, unchanged from December. Of those hiring or trying to hire, 89% reported few or no qualified applicants for the positions they were trying to fill, also unchanged from December. Seasonally adjusted, a net 39% reported raising compensation, up three points from December and the highest reading since May 2023. A net 26% plan to raise compensation in the next three months, down three points from December but still historically high.

Although consumer spending remains strong, small business owners have been unable to find enough workers to fill their open positions. Owners continue to raise compensation to retain and attract workers with the skills and willingness to do the job, but hiring remains a struggle in the tight labor market.

This is especially true in Oregon, where unlike other states with pay equity laws, businesses are unable to utilize the full slate of non-discriminatory incentives to recruit and retain employees. HB 4050 will correct this imbalance and put Oregon back on equal footing with other states when competing for top talent.

NFIB respectfully asks you to vote YES on HB 4050.

Thank you for your time and consideration,

A handwritten signature in blue ink, appearing to read 'Anthony K. Smith', written in a cursive style.

Anthony K. Smith  
NFIB Oregon State Director