



## Support HB 4050 to give Oregon’s Public and Private Employers the ability to Invest in Oregon’s Workforce

Oregon, like the rest of the country, is experiencing a persistent workforce shortage. Unfortunately, new projections show that employers should brace for a “forever” workforce shortage, as fewer people will be working by the end of this decade than are working now.<sup>1</sup> To compete with public and private employers worldwide, Oregon employers need the Legislature to act.

**HB 4050 provides Oregon employers the flexibility to compete with out-of-state employers while still maintaining strong protections under Oregon’s Pay Equity Act**

HB 4050 adds language used by other states with strong pay equity protections,<sup>2</sup> like California and New York, to Oregon’s own law. The provisions would give Oregon employers the flexibility they need to grow Oregon’s workforce by allowing for a pay differential when each of the following criteria are met:

- It does not discriminate on the specified protected classes under the law;
- It is consistent with a business necessity; and
- It fulfills the underlying purpose of the business necessity.

If a worker believes the business necessity could have been resolved without creating a pay differential, HB 4050 allows the worker to file a complaint and maintains all of Oregon’s protections against pay discrimination.

**Not only will HB 4050 help keep Oregon from falling further behind, but it is necessary to support the Legislature’s planned investments in behavioral health and housing**

Unless the Legislature acts, Oregon’s public and private employers will continue to lack the tools they need to recruit and retain the workers they need, including teachers, nurses, police officers, and transit operators. No other state restricts the ability of employers to pay workers as strictly as Oregon. As a result, we are losing workers to other states, including Washington, where employers have more flexibility.

HB 4050 is also a vital complement to the Legislature’s planned investments in behavioral health and housing. Without it, Oregon’s public and private employers will struggle to hire enough workers to create the behavioral health systems and supports necessary to get Oregon’s neediest residents off the streets and into treatment programs or produce the 36,000 housing units needed every year to tackle our housing crisis.

**Please Support HB 4050 to Allow Oregon to be Competitive through this Workforce Shortage**

<sup>1</sup> According to a report from the [Portland Business Journal](#), the Bureau of Labor Statistics expects labor participation to fall to 60.4% by 2032 from its height of 67.4% in 2000.

<sup>2</sup> Per [US News](#), California has the third most narrow pay gap while New York is second. Oregon ranks 11<sup>th</sup>.