



Tigard Area Chamber of Commerce
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Tigard, OR 97223
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February 16, 2015

Subj: Tigard Chamber of Commerce Position on Mandatory Paid Sick Leave – HB 2005 / SB 454

Dear House Chair Holvey & Senate Chair Dembrow,

The Tigard Chamber of Commerce has advocated for and represented our business community for 59 years. Our membership consists of about 300 businesses, representing over 5,000 employees. Small business comprises a large percentage of our membership across manufacturing, consumer, administrative and management/professional sectors.

The Tigard Chamber of Commerce has reviewed the impacts of the mandatory sick leave proposals and strongly oppose them because they are disproportionately harmful to small business. Our members have developed their own benefits packages and leave policies that take into account their own unique industries, their unique company needs, the needs of their employees, and what they can afford. Companies across our community are solving their own personnel issues in ways that fit the needs of the company and the employee. Government intervention is not needed, nor is it desirable because it limits the creative ways in which companies solve their leave issues for the benefit of both the company and the employees.

We are concerned that a mandatory paid sick leave proposal at the state level will crowd out the other benefits currently offered by a local employer that employees actually prefer. Benefits such as bonuses, profit sharing, paid holidays, or employer-paid health benefits are all going to be re-evaluated as small businesses look to cover the cost of the state mandate.

Our hope is that you understand that the paid sick leave mandates in HB 2005 and SB 454 are essentially a new payroll tax for small business. A one hour paid leave benefit per 30 hours worked translates into an additional 3.3% payroll liability. To put this in perspective, many of our businesses pay on average about 3% of payroll in unemployment taxes. HB 2005 and SB 454 are akin to a second unemployment tax paid for small business.

The Tigard Chamber of Commerce asks you to consider the impacts of a paid sick leave mandate on small business and reject solutions such as HB 2005 and SB 454 which put undue burden on the small businesses that are the backbone of our Tigard community and our chamber. You will find that such a mandate is not only not good for employers, but not good for employees, either, as other more desirable benefits are scaled back or replaced altogether to pay for the mandate.

Sincerely,

Debi Mollahan
CEO, Tigard Chamber