



February 2, 2016

To: Senate Committee on Workforce & General Government
From: Anthony K. Smith, State Director, NFIB/Oregon
Re: Please vote NO on SB 1532 – the Two-tiered minimum wage increase proposal

Chair Dembrow, Vice-Chair Thatcher, Members of the Committee,

On behalf of nearly 7,000 Oregon small business members of the National Federation of Independent Business (NFIB), I urge you to oppose SB 1532, a proposal to increase Oregon's statewide minimum wage over the next several years to \$13.25 per hour, and to \$14.50 per hour in the Portland metro area.

Please keep in mind that NFIB represents small businesses in every industry of Oregon's private sector, with over 60,000 Oregonians and their families depending on the success of our members' businesses.

In a recent statewide survey of NFIB/Oregon members conducted during the months of December 2015 and January 2016, 94 percent opposed any increase in Oregon's state minimum wage. NFIB/Oregon members were also asked about state preemption; 89 percent opposed lifting the prohibition on cities, counties or regions from enacting their own local wages beyond the state minimum wage. Overwhelmingly, Oregon's small businesses oppose new *mandates* for higher wages.

Controlling costs are a key part of running any business, but labor costs can only increase so much until small business owners have to make some very difficult decisions, none of which will help those businesses grow. They would have to decide whether to reduce hours for employees, raise prices on customers, make a reduction in their workforce, or even relocate their business elsewhere in search of a more competitive labor market. They may even have to consider closing the doors completely.

Oregon small businesses are concerned about the effects that a much higher minimum wage would have on their communities. They are concerned that mandatory higher wages would prevent them from being able to hire those who need jobs the most. They are concerned that school districts will have less to spend on educating kids and that local governments will be faced with cutting services or raising taxes. They are also extremely worried about how an increase in the minimum wage would affect their customers, many of whom are seniors and others on fixed incomes, unable to afford price increases on the essential products and services that they offer their communities.

Again, on behalf of the thousands of small businesses in Oregon, and the tens of thousands of jobs that depend on them, I ask you to oppose this proposal by voting NO on SB 1532.

Thank you,

A handwritten signature in blue ink, appearing to read "Anthony K. Smith", is positioned above the printed name.

Anthony K. Smith