



HOUSE OF REPRESENTATIVES

April 11, 2023

Timothy G. Sekerak
Chief Clerk of the House
State Capitol Building
Salem, OR 97301

RE: Vote Explanation – HB 3471 A-Engrossed

Chief Clerk Sekerak,

Today I stand before you to oppose HB 3471 which would make it unlawful for employers to require workers to enter into settlement agreements that contain provisions barring them from seeking further employment or reinstatement with the same employer. I understand why this law may seem necessary on the surface level, but it will actually do more harm than good in the long run.

First and foremost, this law's main purpose is to protect workers from feeling trapped in their positions with no chance of advancement. However, this protection comes at a cost: it removes the employer's ability to both incentivize and retain their top-performing employees. This means that employers would have less incentive to offer wage increases and promotions, since once an employee reaches a certain level of seniority, they cannot be removed from their position. This could create stagnation within the workplace and result in fewer opportunities for career growth for employees.

Furthermore, if employers are unable to incentivize their employees with meaningful career advancement opportunities due to this new law, those same employees may look elsewhere for better options—which could lead to a shortage of qualified workers in certain industries or sectors. In addition, this new law could potentially discourage employers from hiring new talent since they



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would face an increased risk of losing quality staff should they choose not to renew an expired agreement.

Finally, this proposed law stands in direct opposition to what is already established by many state laws across the country: that employment relationships are “at-will” meaning either party can terminate at any time for any reason (or no reason). By banning all settlement agreements that include a provision barring workers from seeking further employment or reemployment with the same employer, we are effectively taking away an employer’s right to modify existing contracts and removing an important tool used by businesses when hiring new candidates—all without taking into consideration any potential impacts on existing labor relationships or business practices as a whole.

In conclusion, while this bill may seem like a good way of protecting workers' rights on the surface, its implications will far outweigh any potential benefits it may bring. The detriment it could cause businesses over time is simply too great and could result in fewer job opportunities overall instead of more.

Best,

A handwritten signature in blue ink that reads "Bobby Levy". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Representative Bobby Levy, HD 58