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Oregon Senate Passes Minimum Wage Hike Costing Oregon Businesses \$1.2 Billion

Salem, Ore. - Today, Senate Democrats passed a partisan measure mandating steep increases in the minimum wage across Oregon, resulting in a \$1.2 billion burden on Oregon businesses. The bill, which sets three different minimum wages for different regions across the state, would increase the minimum wage as high as \$14.75 per hour in urban areas. Despite claims a higher minimum wage will help low-income workers, Senate Republicans argued, a significant increase in the minimum wage will weaken the economy and cost Oregon jobs, especially in rural areas.

"Yesterday, our state economist painted a gloomy picture for Oregon's economy," said Senator Ferrioli (R-John Day). "Today, Senate Democrats voted in a new \$1.2 billion mandate that will force small businesses to lay off workers and will raise prices on goods and services like groceries, gas, and utilities that Oregon families depend on. Reports predict Oregon could lose 67,000 jobs due to this mandate. A steep hike in the minimum wage is reckless and puts our sputtering economy at even greater risk."

Local governments and school districts spoke out against the minimum wage increase, explaining the steep hike will cost school districts the equivalent of 361 teachers over the next three biennia and local governments as much as \$50 million per biennium. Hundreds of Oregonians submitted testimony on the expected negative consequences of a minimum wage increase, including those representing the agriculture industry. Family-owned farms and

ranches often employ temporary seasonal workers, and without the ability to adjust prices to compensate for higher labor costs, will be at risk of going out of business.

"While raising the minimum wage seems like a quick fix for low-income workers, we know that significant hikes in the minimum wage do not help lift Oregon families out of poverty," said Senator Jeff Kruse (R-Roseburg). "We need to be focusing on strengthening our economy and preparing workers for family-wage jobs while protecting the health of our small businesses, not passing costly new mandates that make it more expensive for Oregonians to live and work."

"SB 1532 is an exploding cigar rolled by the Governor and lit by Portland area Democrats," said Ferrioli.

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