

PEARMINE FARMS, INC. 12223 RIVER ROAD NE GERVAIS, OREGON 97026 503-393-4634

To: House Committee on Revenue From: Molly McCargar, Corporate Secretary, Pearmine Farms, Inc. Date: February 28, 2019 RE: In support of HB 2237

Chair Nathanson, members of the committee,

My name is Molly McCargar. I am a 4th generation farmer of Pearmine Farms in Gervais, Oregon. Like most farming operations in Oregon, our operation is a family business.

We currently farm approximately 1000 acres. Five of these crops are extremely labor intensive but for short periods of time which include roughly 100 acres of broccoli, 90 of cauliflower, 60 of hops and 30 acres of sweet cherries and the remainder are beans, sweet corn, grass seed and squash. Year to year these acres vary causing variations in our labor needs. During the peak summer season, we have anywhere from 10 to 70 temporary seasonal employees, some of whom we provide housing for in our seasonal labor housing.

We are all aware of the shortage of not only skilled agricultural labor but also a shortage of affordable housing in Oregon. Having registered housing available on our farm provides us an opportunity to attract more of that skilled workforce we're in need of, but at an increasing cost.

In 2017 Senator Courtney and Senator Thomsen worked hard for farms like ours in creating the Agriculture Workforce Housing Tax Credit. It is potentially an important tool in assisting farmers and ranchers affordability in building and maintaining adequate on farm housing for ag labor that meets regulations and provides a safe and healthy environment.

Oregon OSHA Ag labor housing rules require the operator to provide furniture, fixtures and appliances for living and sleeping areas, such as beds with mattresses or pads, tables and chairs. Operators are responsible for all maintenance and operations of facilities. We must perform either these necessary duties ourselves, hire a cleaning service/maintenance service or assign an employee these jobs. It can take us two to three weeks to prepare our housing for the start of the season, cleaning, replacing lights, checking all cooking units, refrigerators, water heaters, showers, toilets, sinks, washing machines, smoke detectors, fire extinguishers to make sure they are operational, as well as making sure mattresses are free of holes and replacing any or all defective equipment. All of this along with power bills, propane, and

garbage service can begin to add up quickly. And we are also required to provide toilet paper, too. All at no cost to the employees staying in the housing. Anyone who owns a home, understands the cost to maintain it, only difference is if we do not maintain our housing, we also face risk of penalties and fines from Oregon OSHA.

And as new housing rules begin to apply, new costs for compliance begin to add up. All housing must meet 100 sq ft per occupant with minimum 7 ft ceilings, requiring upgrades to older housing units. While we all agree these are important changes, these changes become costly. A tax credit offsetting these costs allows farms like ours to make the important and necessary changes while providing us an opportunity to add onto existing housing and provide more housing opportunities for our workforce.

On our farm our employees are like family. Many of the families in our cherry crew that travel from California up to Oregon each summer are 3rd and 4th generations just like myself. I have grown up with them, we visit them when we travel south, we're invited to family events, they are important to us in more ways than just one. I want to stress this to you today, for the understanding that this isn't just about tax credits, this is about taking care of our families, all of them. Yes, we're required by law to provide housing that meet particular standards, but it's more than that. It's creating an atmosphere for our employees that make them feel at home while they're away from their real homes.

As a family farmer, I can tell you that HB 2237 is necessary to help attract a skilled workforce while providing safe housing and I encourage your support..

Thank you for your consideration.