

We are Kevin and Terri Martel and we are 1st generation nursery owners. • We propagate tree seedlings for grafting and employ up to 8 seasonal employees, many of whom come back to our family farm year after year. We want to share with you our concerns about the real impacts of HB 2358 and SB 616 on both our nursery and our employees. These bills would require every farm and ranch in Oregon to pay overtime to employees after 40 hours of work. Currently, agriculture is exempt from overtime pay under the federal Fair Labor Standards Act and in most other states. These bills propose one of the most aggressive overtime policies in the country, which would be devastating for local farmers and our employees.

•As nursery owners we are price takers, which means that we cannot simply increase the sale price of our trees. If we do our customers will choose to buy from other nurseries outside of Oregon at a lower cost. We will be left having to absorb any added overhead. That's the economic reality we deal with every day.

•We will not be able to afford the added payroll costs proposed in HB 2358 and SB 616. There is a limited window of time for us to plant seed when it begins to grow. This often requires over 40 hours a week. We would not be able to afford the overtime. Our workers would make less money in the end and we would lose the ability to plant all of our crop. This would threaten our ability to provide our customers with the product they count on every season. We would lose customers. To stay in business, we will be forced to limit the number of hours worked by our employees to 40 hours in a week to avoid the added expense of overtime pay. We do not want to do this, and our employees do not want us to do this, but that is the practical reality of these bills.

•Farms, nurseries and ranches will have to mechanize operations, transition to less labor-intensive crops, or even move outside of Oregon to stay in business. Farm employees are at risk of losing their jobs if downsizing, switching crops, or mechanizing are the only options available to a farm or ranch.

•As a family business, we can't operate at a loss year-over-year, so we have to control costs that seem to increase every year in Oregon. I know it's not the goal of these bills to reduce employee take-home pay, but HB 2358 and SB 616 demand wages that are not possible with the economics of agriculture and will result in reduced pay and hours for farm employees. THIS IS A FACT!

•We are very concerned that this policy hasn't been well-vetted and will actually harm those it intends to help.

•Please oppose HB 2358 and SB 616 this session. These bills would negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers!