

March 5<sup>th</sup> 2021

To: House Committee on Business and Labor  
From: Rufino Reyes  
RE: House Bill 2358/Senate Bill 616 – Agricultural Overtime

Salutations to the House Committee on Business and Labor,

My name is Rufino Reyes from Palmer Creek Nursery and I live in Dayton, Oregon. I urge you to oppose House Bill 2358 and Senate Bill 616.

I want to share with you my concerns about the real impacts of HB 2358 and SB 616 on both my farm and my 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. The proposed bills are one of the most aggressive overtime policies in the country, which would be devastating for local farmers and our employees.

As a farmer, I am a price taker, which means that I cannot simply increase the sale price of my crops to account for added labor costs. Consumers set our prices and will buy from other states or countries that sell at a cheaper price. I will have to absorb any added overhead. That's the economic reality I deal with every day. I will not be able to afford the added payroll costs proposed in HB 2358 and SB 616, as it will likely cost me more in new labor costs.

In the Yamhill County and possibly in other counties as well, employers no longer pay employees the minimal wage. The starting wage of an employee averages \$13 to \$17 dollars of hour, no less than that. The purposed bill, HB 2358 and SB 616, would put me above \$20 dollars per overtime hour. This is unaffordable and I will be forced to limit the number of hours worked by my employees to 40 hours in a week to avoid the added expense of overtime pay. I do not want to do this, and my employees do not want me to do this, but that is the practical reality of these bills. HB 2358 and SB 616 demand wages that are not feasible with the economics of agriculture and will result in reduced pay and hours for farm employees. I am very concerned that this policy hasn't been well-vetted and will actually harm those it intends to help.

We urge you to take our thoughts into consideration. 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.

Best Regards,  
Rufino Reyes  
Palmer Creek Nursery LLC  
Dayton, Oregon