

My name is Erin Roby and I am farm in Hood River county on a third generation family pear orchard. We employ 10 full time year round staff who live on our orchards with their families in single family housing, in many cases multigenerational families. Their children have grown up in Hood River with the advantage of stable housing and attending the same schools kindergarten through twelfth grade before moving on to college or other employment in the area. We employ up to 70 employees during peak pear harvest. I want to share with you my concerns about the real impact of HB 2358 on both my farm and my employees, which is scheduled for a public hearing in the House Business and Labor Committee on March 8th.

HB 2358 would require every farm 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 because of the unique seasonal nature of agricultural production, affecting both the total period when agricultural activities can be pursued. Many agricultural activities are at the mercy of the weather and the imminent nature of fruit harvest.

HB 2358 proposes the most aggressive overtime policy in the country, which would be devastating for local farmers and our employees, who are already struggling financially.

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. The pear market has taken a downturn over the past year leaving very little room to absorb additional costs such as the materials and labor needed to comply with COVID-19 regulations. Our housing occupancy has been cut by 35% due to COVID-19 safety regulations, requiring us to do the same amount of work with less employees.

I will not be able to afford the added payroll costs proposed in HB 2358. Before looking into the annual expense, I decided to calculate overtime pay exclusively for the 8-week period of our pear harvest. It is common for us to work up to 55 hours per week for that 8-week window of time. For our 70 harvest employees, this bill would cost us \$31,500 per week in additional payroll due to HB 2358, which calculates over an 8 week period to \$252,000 in additional labor costs. For only 8 weeks. This does not include the other 44 weeks in the year.

To stay in business, 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 this bill. As an example, we have been working 45 hours per week these past few months because our employees requested to work half days on Saturdays. We do not need them to work on Saturdays. But they requested this due to the good weather and the opportunity to increase their earning potential. HB 2358 would cause us to deny our employees request to work on Saturdays due to the added costs. Taking this past month as an example, it would have added \$2,812.50 for our small group of employees to work an additional 5 hours per week.

Farmers and ranchers will have to mechanize operations, transition to less labor-intensive crops, or even move outside of Oregon to stay in business. Farmers would have to assess the cost of the benefits afforded to employees if this bill passes. One item up for consideration is the free housing and free utilities currently provided to employees as well as their family members who do not work on the farm. This cost is often overlooked by those outside of the agriculture industry, but it a huge benefit to employees with significant monetary value.

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 this bill to reduce employee take-home pay, but HB 2358 demands wages that are not possible 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.

Please oppose HB 2358 this session. This bills would negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers. I cannot imagine the disappointment our employees would feel if Oregon restricts their weekly earning potential with HB 2358.