

3/29/21

Please oppose HB 2358 and amendments!

My name is Dana Estensen and I farm wine grapes in Marion and Yamhill counties. Currently our company employs 17 full-time employees year-round. Our employees are highly valued and great people to work with. They have opportunities for education and advancement, and receive benefits including paid time off and holidays, insurance (medical, dental, and vision) as well as a 401k plan and make well above the minimum wage.

During the growing season, including pruning, we also use labor contractors which can be up to 100 additional agricultural workers at the peak times.

We want to share with you our concerns about the real impact of HB 2358 and amendments on both our farm and our employees, which is scheduled for a public hearing in the House Business and Labor Committee on March 29th.

HB 2358 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 because of the unique seasonal nature of agricultural production, affecting both the total period when agricultural activities can be pursued and the days within the "season" when work can be performed. Because of this seasonality, we frequently work on Saturdays and some Sundays in order to get the necessary work done on time.

HB 2358 proposes the most aggressive overtime policy in the country, which would be devastating for local farmers and ranchers who are already struggling financially. With the challenges of the last year including COVID-19, wildfires (which prevented many wine grape growers from harvesting any of their 2020 crop), and this year's wind and ice storms, many farms and ranches are already stretched thin.

As a farmers, we are price takers – the wineries we sell our grapes to are not going to increase our prices based on a new overtime policy. We will have to absorb any added overhead. Currently our labor costs are 70% of our budget – with the proposed overtime policy that would increase by 9% if employees worked the same hours.

We are already highly mechanized but hand labor is critical for those tasks that can't be completed in an effective and timely manner by a machine. Since a vineyard is a permanent/perennial crop with a big investment in the infrastructure required, we wouldn't be able to switch to a less labor-intensive crop or easily move to a new location. To stay in business, we will be forced to limit the number of hours worked by our employees to avoid the added expense of overtime pay and try to find additional employees to make up the difference. It is already a tight labor market and that isn't really a viable option.

As a business, we have to control costs that seem to increase every year in Oregon. HB 2358 demands wages that are not possible with the economics of agriculture and will result in reduced pay and hours for farm employees and potentially loss of employment because of farming and ranching operations closing down.

Please oppose HB 2358 and its amendments. I am very concerned that this policy hasn't been well-vetted. This bill will negatively impact not only family farmers and ranchers in Oregon, but also the agricultural workers that it intends to help!

Thank you for your time.

Dana Estensen