



February 14, 2022

Chair Holvey
House Business and Labor Committee
Oregon Legislature
Sent Via Email

Dear Chair Holvey:

Thank you for your work on HB 4002, overtime pay for agricultural workers. We write to you today representing family-owned Oregon farms with hundreds of employees, a proudly unionized workforce, with a steadfast commitment to Oregon's people, economy and environment.

We support the direction of the -5 amendment to HB 4002 because it includes an extension to the original 3-year phase-in to a 5-year phase-in and modifies the tax credit concept making it a refundable tax credit to better mitigate what will likely be a significant cost increases for ag employers.

Moreover, we support ag employee unions and organizations that are seeking equality in the workplace. Our businesses are proud of the partnership we have developed with UFW, creating jobs that offer health care, retirement, and paid time off. This partnership has helped cultivate a strong workforce with consistent employment opportunities.

It is understood that the Bureau of Labor and Industries (BOLI) intends to, for the first time, require ag employers to pay overtime – likely at a 40-hour workweek. This would be a significant policy shift for most if not all agri-businesses. Rather than leave such a big policy decision to an administrative agency that lacks the same tools as the legislature to mitigate the economic impact, we believe the legislature is in a better position to set ag overtime policy. For that reason, we strongly support the legislature passing a bill that provides both a phase-in and compensation to transition ag employers.

With that said, we do want to acknowledge that creating and lowering the threshold for overtime will impact both ag employees and employers. We remain committed to working with UFW members and non-members to ensure a smooth transition to a new way of doing business. If you are inclined to consider additional amendments to further alleviate costs to Oregon ag employers – both large and small – and minimize any unwanted transition for ag employees, we would encourage you to do so. For instance, extending the phase-in may prove

to be the most valuable transition tool at the legislature's disposal. In the end, finding a path forward designed to balance the various needs in agriculture is a win for Oregon employers and employees. We want to encourage those discussions over the next few weeks, as time allows in the short session.

Thanks for your work on this important policy. We will make ourselves available for testimony and for further consult on this topic.

Respectfully,

Julian Garcia, Beef Northwest

Bill Antilla, Threemile Canyon Farms