

February 7, 2022



Representative Holvey, Chair
Representative Grayber, Vice-Chair
Representative Bonham, Vice-Chair
Members of the House Committee on Business and Labor

Re: HB 4002 Opposition

Dear Chair Holvey, Vice-Chair Grayber, Vice-Chair Bonham, and Committee Members:

My name is Ken McVicker Sales Manager with Woodburn Nursery & Azaleas and we are a third-generation grower in the Willamette Valley. We grow nursery stock, grass seed, and other row crops. We employ around 240 employees, many of whom have worked for us for decades. Many of them choose to work with us because we provide stable, year-round employment with great benefits.

We are in peak season right now, and we offer our employees the ability to work extra hours if they wish and earn extra income. Likewise, we offer flexible leave time for our employees in the off-season. This enables our employees to have year-round stable employment, which is why many of them choose to work with us.

Oregon agriculture pays well over the minimum wage, and we pay well above the wages of our nursery counterparts in other states that use the federal minimum wage. Even so, we have an ag labor shortage in the state. There is work that needs to be done beyond 40 hours each week, and there is simply not a workforce there to add shifts.

We will not be able to afford the added payroll costs proposed in HB 4002. To stay in business, we will be forced to limit the number of hours worked by our employees to 40 hours each week to avoid the added expense of overtime pay. We do not want to do this, and our employees do not want to see their hours dropped, but that is the practical reality of this bill.

These added costs will not help Oregon produce more crops or increase output, they cannot be passed onto the consumer, and many of our ag commodities will end up be outsourced to other states or countries. Consumers set our prices and they will buy from other states or countries that sell at a cheaper price. I am concerned with our ability to continue to compete in the markets we serve.

Over the years, we have focused on mechanization on our farm. This is not to replace employees, but to make the process easier for employees, increase efficiency, and increase output. If HB 4002 passes as written, the mechanization of farms will only be exacerbated, and the farm workers this bill intends to help will be the ones that suffer the most because of it.

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 4002 demands wages that are not possible with the economics of agriculture and will result in reduced pay and hours for farm employees.

A 40-hour threshold is an irrational threshold for the realities of diverse agriculture in our state, and, just as we have recently seen with California's 40-hour threshold, will result in reduced hours and reduced take-home pay for agricultural workers.

A more reasonable solution would be a higher hourly threshold, with additional seasonal accommodation for peak need seasons. This will ensure the best possible outcome for both farms and farmworkers.

Please oppose HB 4002 this session. This bill will negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers, who will be the ones most harmed by it.

Sincerely,

Ken McVicker

Sales & Marketing Manager

Woodburn Nursery & Azaleas