

February 8, 2022

The Honorable Paul Holvey Chair, House Committee on Business and Labor 900 Court St. NE Salem, OR 97301

Chair Holvey and members of the House Committee on Business and Labor:

My name is Sean Naumes and our family owns and operates Naumes Family Vineyards and Naumes, Inc. in Medford, Oregon. My family has been farming in Southern Oregon for three generations, growing primarily fresh pears. In 2013, we decided to enter the wine industry and have since expanded our vineyards in the Rogue Valley.

Over the past few years, our farm has been continually threated by wildfires, smoke, drought and impacts of the pandemic. Which is why I am here today to ask you to consider the financial burden our farm simply cannot endure if overtime pay for farmworkers who work over 40 hours goes into effect.

Most farmworkers in Oregon are currently paid well above minimum wage. Our farm starts workers at \$16.30 per hour and full-time employees receive benefits on top of their salary. We also provide housing for many of our local workers, a significant benefit in our area particularly given the housing challenges following the 2020 wildfires.

When we look at this proposal, unfortunately, we do not believe it does anything to help us absorb the added cost of overtime after 40 hours for our workers. The numbers just don't work. We are already trying to mechanize our operations where we can, particularly in the vineyards, but a lot of the work with our pears still needs to be done by hand. The tax credit as proposed gives no certainty to farms that the added costs will be defrayed.

Both pears and wine grapes have a variety of seasonal peak weeks when additional worker hours are needed to tend to the vines and orchards. Those peak weeks include harvest, pruning and spraying, but harvest is when both the orchard and vineyard require the most labor. Which is why we urge you to consider a seasonal exemption any overtime policy. A seasonal exemption will ensure that our workers — who want those extra hours — will be able to get them, since many growers will be forced to adjust employee schedules to 40 hours a week when possible, to avoid the cost. Without a meaningful compromise, worker take home pay could ultimately be less than their current take home pay because farms who cannot afford the additional cost will have no choice but to reduce hours.

NAUMES FAMILY VINEYARDS



I know that both California and Washington have put similar laws into effect regarding overtime for farmworkers, but we shouldn't feel bound by how they have chosen to address this issue. These are new requirements and Oregon should learn from their experience, not adopt their approach to this issue without time to understand the impact on farms and workers. We have to do what works best for Oregon. We simply don't have the scale of operations they have — many of our farms and vineyards are medium to smaller sized operations — and this proposal will impact us much more. We are already seeing workers come to Oregon from California saying they can't get enough hours in there due to their overtime laws. Right now, we can offer those additional hours, but an overtime requirement without a seasonal exemption means we won't be able to in the future, taking away our competitiveness in the regional labor market as they choose to work in states where additional hours are available.

I know this is an extremely complicated issue with significant impacts for all involved. I encourage you to find a compromise to address the overtime issue that will work for Oregon and include a seasonal exemption for peak weeks. We have to do the right thing to protect both our workers' ability to get the hours they need, and ensure our farms remain viable. We need your help to find a reasonable compromise to achieve that goal.

Sincerely, Sean Naumes

Special Projects Manager

Naumes Family Vineyards/ Naumes, Inc.