

February 8, 2022
RE: HB 4002

Chair Holvey, my name is Jeff Koenig, and I grow hazelnuts in Marion County. I'm opposed to HB 4002, as currently drafted.

Hazelnut growers cannot afford the wages mandated by HB 4002. That's not how our markets work.

Even though Oregon grows 99.9% of U.S. hazelnuts, our nuts are sold all over the world and represent only a small fraction of the global commodity market.

We're competing with Turkey, Italy and other countries with much lower labor costs—and we don't have the ability to increase our prices to reflect new mandates from the Oregon legislature. Farmers are already operating on very thin margins.

Many growers will be unable to afford to pay overtime over 40 hours and will have to cap worker hours or invest in machines or other efficiencies that reduce labor costs.

Farm employees will be impacted because this bill will force operations, like mine, to cap hours or reduce the length of shifts. Employees will ultimately have less take-home pay unless they find a second job. My workers will suffer a 30% reduction in take home pay if this bill passes as is.

The proposed tax credits are a temporary Band-Aid and don't help Oregon producers in the long run. In reality, as tax credits phase out, growers are left without resources to continue to employ workers over 40-hours.

Tax credits also are vulnerable to legislative budget negotiations, and require employers to front money they don't have.

Please work with growers to find a workable compromise that supports local farms and farmworkers. HB 4002 isn't the right solution.

Jeff Koenig
Marion County