

Submitter: Dan Corn

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB4002

I am writing in Opposition to HB 4002.

Agricultural workers are not in any way bound to work in Agriculture. We have a vibrant and flexible workforce, which according to economic principles moves from industry to industry seeking the greatest benefit to their circumstance. Ag workers know that Ag does not pay overtime, and other industries do. As a result of this, people choose to work in Ag despite the lack of overtime pay. Employees recognize this fact, and so do employers. The cost of overtime, although not paid in a 1.5 labor rate per hour, is already built in to the salary ranges.

With an already tight labor pool, additional mandated costs would be very difficult for farmers whose crop price is dependent on volatile market prices. Look at how much demand there is on the foreign worker program already to bridge the gap.

Example1. Company A pays overtime for same job as company B. Company A has a starting wage that is several dollars per hour lower than company B and limits their employees to 40 hours per week max. Company B, for the exact same work does not pay overtime, but base salary is built in higher per hour than company A, and allows employees the opportunity to work more hours as they desire. In the end, the employee wins. These are not fictitious examples, they exist in every community.

Example 2. On our farm we have several employees who have worked in industries that paid overtime, and have made the economic decision to work with us because the overall salary was better. This is not an uncommon occurrence.

This is not going to be the windfall that some believe it will be for employees. In many cases employees will have their hours cut, and their base salaries lowered to account for the overtime pay.