

Submitter: Marlene Acker

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB4002

I am concerned about the impact that HB 4002, the ag overtime proposal, would have on farms and employees. They do everything they can to compensate employees fairly, but they are a price taker. This means that they cannot increase the sale price of their crops when labor costs increase. Consumers in the global commodity market set the prices. Any added costs will have to be absorbed by the farms. That's the economic reality for those in agriculture.

Oregon's specialty crops are labor intensive and have peak seasonal needs, including harvesting, pruning, and planting. This bill will likely increase labor costs that they can't afford. To remain in business, they will be forced to limit the number of hours that employees work to 40 hours per week, mechanize or transition to less labor-intensive crops to avoid the added expense of overtime pay. They do not want to do this, but that is the practical reality.

Farmers have been clear about the consequences of this policy, but you should also be worried that farm employees will see their paychecks reduced or jobs cut if overtime pay is required after 40-hours. The other unintended consequences for employees will be no paid health care, free housing, free vehicle, end-of-season bonuses etc).

The farms can't operate at a loss year-over-year. Mandating overtime after 40-hours demands wages that are not possible with the economics of agriculture and will result in reduced pay and opportunities for farm employees. Only seven states have adopted ag overtime policies, and most have crafted policies that ensure that local farms can remain viable and that employees' jobs and paychecks are protected. Several states have adopted policies to meet seasonal needs and others established higher overtime thresholds that help avoid some of the worst consequences.

As someone who cannot stand to watch farmers lose their family business, I urge you to oppose an overtime mandate at 40-hours in HB 4002.

Thank you,  
Marlene Acker  
Nehalem