



February 8, 2022

Testimony in Support of Farmworker Overtime (HB 4002)

Chair Holvey, Vice Chairs Bonham and Grayber:

On behalf of Friends of Family Farmers (FoFF), I am writing to you in support of HB 4002, which would provide Oregon farmworkers with the overtime pay they deserve for their labor. FoFF is strongly in favor of this legislation, as it reflects the core values of our coalition: sustaining local communities and providing a viable livelihood for family farmers.

Refusing to compensate farmworkers fairly does a disservice to all of us. Not only does it subject existing farmworkers to long hours and little pay, it makes farmwork unsustainable and unappealing for future generations. If we hope to move our agricultural industry into a healthy and agriculturally thriving future, it is critical that we invest in those working on Oregon's farms now.

Farmworkers deserve dignity, justice and respect in the workplace, like all of us expect. Unfortunately, farmworkers are not afforded the same rights as workers in other industries — it is long past time for us to correct this systemic injustice. Since the inception of the Fair Labor Standards Act of 1938, we have systemically excluded farmworkers from the minimum wage protections, child labor laws, and overtime pay protections that other workers receive. These laws were designed to protect workers' rights, discourage employers from overworking their staff, and create better health conditions and a longer life expectancy for our workforce. Farmworkers deserve the same protections and aspirations that public policy has afforded all other workers.

Right now, the base wages alone that farmworkers receive are some of the lowest in Oregon and across the country. According to the National Agricultural Workers Survey, the average salary of an individual farmworker is \$15,000 to \$17,499 per year — an

income that is unlivable. Yet these are essential workers. Without them, our families cannot eat.

The producers that we represent at FoFF have long been working to build a more equitable food system for everyone — our farmers and the communities they serve. We know that it costs more to produce food in a way that reflects the values of good land stewardship and fair labor practices. We believe these costs are worth the investment. It is time for Oregon to seriously address the historic injustices embedded into our food systems.

Right now, Oregon is the last state on the west coast to take this critical step. Both Washington and California have already passed farmworker overtime into law — righting the injustices of the past and focusing on a more just future. These states have recognized that passing farmworker overtime is not only beneficial to farmworkers themselves, but to our entire agricultural community. It is also clear that more states as well as the federal government are moving to address this policy, as reflected in the recent lawsuit in New York. Oregon has a chance to be a leader on this issue. We need to find a legislative solution that can work for all parties before being forced into a 40-hour work week through a lawsuit without the benefit of transition assistance for farmers.

FoFF serves farmers across our state, so we are acutely aware of the impacts of compounding expenses for farmers, but we believe that it is our responsibility to move our sector ahead and compensate farmers commensurate with their work. We also know that there are benefits to these investments. Our family farmers know firsthand that better pay and better working conditions lead to better employee retention. HB 4002 will help farmers keep their skilled labor force thriving in Oregon, and will put more money into our rural economies across the state.

In addition to the long-term societal benefits of this legislation, there are short-term incentives that will assist farmers, too. Specifically, HB 4002 creates a thoughtful, phased-in approach that will allow for plenty of transition time in the short-term, while preparing us for the long-term. Farmers will have a five-year period to adjust to these overtime payments — with overtime qualification beginning at 55 hours in 2023 and 2024, shifting to 48 hours for 2025 and 2026, and finally reaching the 40-hour threshold by the end of 2027.

This legislation creates tax incentives for farmers during the transition period as well, which is critical to note. Over the next five years, there will be a refundable tax credit available to farmers to reimburse them for 75-15% of the cost of overtime wages through their payroll tax filings — phasing down throughout the transition period to help farmers adjust to the new wage realities slowly over time.

This phased-in approach and tax incentive program will provide transitional assistance to farmers in the short-term, while still helping us reach the long-term goal of just, sustainable wages for our farmworkers. Overall, overtime pay will benefit Oregon's 86,389 essential farmworkers, ensuring that they, too, can afford to put food on the table — the very food they provide for all of us.

Thank you for taking this testimony into consideration and for the great work of your committee. On behalf of family farmers across Oregon, FoFF strongly urges you to pass HB 4002 in the 2022 Legislative Session.

Thank you,

Alice Morrison
Organizational Director
Friends of Family Farmers