



HOUSE OF REPRESENTATIVES

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

I wasn't planning on submitting testimony on a bill being heard in a committee that I am a part of, but during the over 3 hours of public testimony from citizens across our state, there were a number of grossly unfactual comments that I felt warranted a detailed response—a response that is beyond what testifiers were able to address during their 4-minute time limit.

I want to be clear from the start, my presence on this committee is due to the fact that I am a State Representative, but my real job is being a 5th generation Linn County farmer. Farming is my family's legacy, with the struggles and challenges experienced over the past century passed down to help each successive generation learn from the near disasters, to hopefully navigate our farm successfully through future challenges—but I can tell you, it's getting increasingly more difficult. And this policy will make it immensely harder for family farms like mine to survive into the next generation.

It was said that **we “can't know” what will happen** due to the passage of this bill, with it even being implied it was threatening towards those providing testimony to speculate on the unknown. I will readily acknowledge it is impossible to speak in absolutes—especially in a diverse agriculture industry that has 225 different commodities grown and with farms ranging from part-time hobby farms clear up to large, unionized corporate farms. There is simply no one-size-fits-all when it comes to Oregon farms, or one management strategy that will guarantee success or failure for *all* of our farms.

That being said, there is a glaringly obvious recurring pattern offered by the vast majority of the farm managers that there will be **a need to cap hours**, mechanize to reduce labor requirements, replace labor-intensive crops with ones that utilize mechanization, reduce or eliminate peripheral benefits not mandated by Oregon law, and generally find work-arounds to limit the financial impacts of HB4002—all **resulting in lower paychecks to workers, not higher**. This testimony is supported by the experiences of both farms and workers coming out of California, and was provided in committee by producers directly responsible for making decisions on their own farms to keep them economically viable—decisions **based on the experience of generations in our farm families being forced to tighten up their financial belts notch after notch**. To discredit their knowledge of their *own farms* by implying we don't know what we'll need to do to adapt to this labor cost increase ignores the expertise a farm manager has regarding the realities of his or her own farm operation.

The ability for farms to cap workers' hours at 40 a week was called out as hypocritical—saying **farmers “can't have it both ways”** by claiming we have labor shortages *and* the ability to hire additional workers in order to cap all employees at 40 hours. Colleagues, if a farm worker is

capped at 40 hours a week but wants 60 hours? That worker will **have to get a second job**. On a different farm. Meaning there is another worker available for another farm to hire in order to fill *their* need for extra labor while their normal employees are also forced to find a second job; so yes, extra labor will be available for farms to hire albeit in the same amount of total farm workers. But should farms or employees have to jump through these extra hoops? Should we (both farmer and employee) be exposed to the extra risk working in unfamiliar settings with unfamiliar people—all to **result in no added income for farm workers**? Should the Legislature pass a policy that, in practice, will accomplish the exact opposite of what it promises workers it will achieve? I say no.

Economic data that backed up the need for management decisions which reduce labor requirements was discredited because it didn't stem from an adequate sampling of Oregon farms. How many farm owners and managers need to state a necessity to reduce labor costs before their management expertise (*of their own farms*) can be believed as factual? Instead, the discreditation felt like the **lack of ability for a farm to afford paying overtime was simply not a consideration** in determining if this is sound policy—it was just accepted as fact that all farms could absorb this cost but didn't *want* to.

A policy can be the most well-intentioned idea in the world, and farmer after farmer can state they would happily pay 1.5x wages (or more!—including valuable benefits packages) if they could afford to because they truly respect and value their employees—but at the end of the day, a farm budget sheet does not lie. Farmers who operate in a sector in which they *can* pay more, already do, and the **average farm wage in Oregon being one of the highest in the nation** proves it. Farmer after farmer testified that they pay well above minimum wage, provide housing and 401k incentives—some saying they pay on average \$70,000 a year plus benefits totaling \$2,000/mon. But we were told it isn't enough. Farmers need to “pay fairly”, yet most would then be penalized for trying to do just that with the passage of this legislation as written.

Farms across the state were devastated this past year and a half to the point this Legislative body stepped in to provide some financial relief. Crop failures are not uncommon—farmers run this risk every single year, often putting **their entire life savings and leveraging their assets to invest into a crop that may yield zero income**. Paying our employees' paychecks comes before we can have actual profit to provide for our own families, and too often, farmers go without so our workers get paid. Yet we were asked to “**come walk the shoes**” of farm employees—employees that will never know the stress of having your entire family's livelihood dependent on Oregon's fickle and rapidly changing climate that makes your job a gamble every year. Their paycheck is guaranteed in exchange for their labor—a farmer's is not. Not by a long shot. Both sides of the farm equation—farmer and worker—must have the ability to earn a living, or that farm and its job opportunities are lost.

The argument was made that because **other industries are expected to pay overtime, so should agriculture**, because fair is fair. I think we are all abundantly clear that **farming is not a typical 9-5 job**, but one that is subject to weather, periods of increased work demands, perishable crops, and things that simply cannot wait for convenient timing. This industry is inherently unique, and

though a few sectors may say “it’s very doable” to pay overtime and still have “thriving” businesses, that is not the reality for most of Oregon’s 225 different commodities.

The vast majority of Oregon farms raise crops whose **price is determined by the publicly traded commodity market**. When farmers say we are “price takers, not price makers”, that is what they mean. Unlike most every other industry, **we can’t demand a higher price just because our production costs go up**—we don’t command enough market share from our crops to demand that level of influence on a global market. We are forced to compete against countries where workers are still paid a few dollars a day with zero protections or benefits packages. It isn’t an even playing field, and gets more out of balance all the time as more and more regulations, taxes, and cost burdens are placed on Oregon farmers.

There was a very apparent narrative presented in testimony that **portrayed farmers as just wanting to do the absolute bare minimum for our farm employees**—while treating them as “disposable”, with numerous implications that **farmers are racist**. Colleagues, as with any industry, there are undoubtedly some “bad actors” but this policy will *not* convince them to become decent human beings and treat workers with the respect they deserve. Our farms can’t exist without the many added hands doing the very noble work of growing and tending crops and livestock. **Do not let the few exceptions to the rule dictate your perception of how farmers treat our workers**. If pressed about their employers, I would venture a guess that many of those testifying worked for less than reputable farm labor contractors rather than directly for our family-owned farms—who routinely have the same employees and their families working alongside our farmers for decades.

Multiple **testifiers regarded their employees like “family”**, and during my lifetime in the agriculture industry, I can attest to the overwhelming truth of that sentiment. **Farmers work right alongside their employees—often taking the hardest and most risky jobs on themselves**, and logging more hours taking care of all the other “farm tasks” long after their employees have gone home for the day. We don’t expect more of others than we do from ourselves, but that wasn’t the picture so many testifiers shared, and I think it is **unfortunate such an admirable profession can be portrayed in such a negative and inaccurate way**.

One of the last untruths I want to touch on is the implication that farmers are crying wolf—that **this policy will not result in farms going out of business**, and that none of the other policies farmers have opposed have resulted in the loss of Oregon farms either. But they have. **In less than a decade, we’ve lost over 1700 farms in Oregon**, and every added cost burden and regulation will undoubtedly lead to more farms selling out. But it’s the biggest farms that are in the best position to absorb added costs and operate on even narrower profit margins—who have streamlined their operations for maximum efficiencies and have the resources to pivot as needed to stay economical. To say it in black and white: **the biggest farms will get bigger, and it will be the smaller farms that treat our employees like family that will go under**. That is not what any of us want, and heightens the critical need to find a workable solution for both our farm owners and our employees.

Agriculture is too complicated and far too diverse to expect the same carbon copy policy that works for other industries to work in farming. **We need a true solution** that acknowledges the unique challenges we face in farming—the seasonality, the inability to set our own prices, the diversity of our farms, and the need to adjust to ever-fluctuating global markets.

Farming cannot exist without both farm workers and farm owners. **Any policy seeking to regulate labor on farms must be workable for both entities or it should not be considered.** Our agriculture industry is far too important, not only in its economic contributions to the state in over \$42 billion in value, but also in our most basic and invaluable contribution of feeding the world.

Please reject anything short of a true compromise that works for all of agriculture.

Respectfully,



Jami Cate
State Representative
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