

Submitter: Matthew Schuster
On Behalf Of:
Committee: House Committee On Business and Labor
Measure: HB4002

Chair Holvey,

My name is Matt Schuster. I, my brother-in-law, and our families grow cherries and hazelnuts in Marion County. We are opposed to HB 4002, as currently drafted.

We are concerned about the wages mandated in HB 4002 and the future viability of our farm. Unlike big box stores, restaurants, utilities, and most other customer-based businesses, we are unable to pass along any price increases to our customers. In the cherry business our customers are always looking to pay us the lowest price possible. And in the hazelnut business, Oregon only produces about 4% of the world production. So, when a country like Turkey or Italy produce a large crop, or have a currency drop, the price we receive for our hazelnuts remains low. However, our wages and input cost continually rise year after year.

As you can imagine we operate on thin financial margin with no certainty of what will happen the next year. If HB 4002 passes we will have to make changes to our farm. While we don't want to fire any employee, we will have to cut employee hours. This is unfortunate since all our employees have been with us for over five years, but we must be able to save enough money to afford the overtime during harvest. In addition, we operate a small nursery to provide replacement stock for our orchards and sell the rest. The last few years we have barely broken even, and even operated at a loss some years. However, we have kept this enterprise because it helps provide year-round work for our full-time staff. If this bill passes, we will have to shut this enterprise down.

Tax credits have been offered as a short-term solution but only delay the inevitable. At some point farms will have to adjust their operation to reduce the future labor cost or go out of business.

We value our employees, and they take a lot of pride in their work and being part of the farm. And we are proud to work with them every day from the time they start work to after they go home at night. Please work with growers to find a workable compromise that supports local farms and farmworkers. HB 4002 isn't the right solution.

Sincerely,
Matt Schuster

Chapin Orchards LLC