

Submitter: Lee Schrepel
On Behalf Of: Oppose HB 4002
Committee: Joint Committee On Farm Worker Overtime
Measure: HB4002

We are a fruit & nut producer and have had employees, many of whom worked year-round on our operation. I want to share with you my concerns about the impact of an ag overtime mandate on my operation and employees.

We have had unique needs. During our off-season (non-harvest) times, our workers have routinely worked 40-48 hour weeks. On the other hand, during harvest, workers look forward to the need for extended hours to 'get the job done', whether that means long hours, days and weeks getting the crops harvested or long hours, days and weeks in our processing/freezing operation or long hours, days and weeks repairing and maintaining our equipment to avoid costly down-time. Implementing HB 4002, an overtime mandate at 40 hours, will be difficult if not impossible for producers such as us. How will I accomplish our harvests if an emergency comes up that extends workdays? The market doesn't give me the ability to demand a higher price for fruit or nuts. We are absolutely 'price-takers'! Oregon arbitrarily increasing labor costs will leave us stuck in the middle, squeezed between our buyers and our suppliers and our workers. Costs for pesticides, fuel and supplies are skyrocketing. Labor costs come straight from the bottom line at a time when many farms and ranches are struggling to stay afloat. An inflexible 40-hour overtime mandate simply won't work for our industry.

At a 40-hour overtime threshold, workers risk losing shifts, total hours and take-home pay. In addition, the new labor costs might cause trade-offs for current benefits such as insurance and housing. With increasing labor costs, many producers simply may not be able to continue providing these additional benefits to their workers. Agricultural overtime could have dire consequences for the families who depend on farms, ranches and dairies for their income.

A tax credit is not a workable or durable solution to farmers paying for overtime. Tax credits will be phased out as soon as a recession hits, cannot be enacted in perpetuity, and, as crafted, phase down when growers will need them most. We need a workable and durable solution that can only be found by adjusting the structure of the overtime proposal to account for the seasonal and year-round needs of the agriculture industry.

Please oppose a 40-hour overtime mandate for Oregon agriculture under HB 4002. It won't work for fruit and nut producers and processors. Our needs aren't only seasonal, and imposing new costs at this difficult time will sacrifice our local, family-owned operations. We would rather take our chances with BOLI than face the certain

reduction in hours and family-scale operations that this bill guarantees.