

Submitter: Nic Vial
On Behalf Of: Oppose HB 4002
Committee: Joint Committee On Farm Worker Overtime
Measure: HB4002

I am writing this as the President, on behalf of the Washington County Farm Bureau to say that we strongly oppose HB 4002A. As livestock and crop producers we have employees, many of whom work year-round on our operations. We want to share with you our concerns about the impact of an ag overtime mandate on our operation and employees.

Livestock operations have unique needs. Cows, sheep and other livestock rely on 24-hour supervision and response and require a flexible workforce year-round. Implementing HB 4002, an overtime mandate at 40 hours, will be difficult if not impossible for livestock producers. How will we care for our animals if an emergency comes up? The market doesn't give us the ability to demand a higher price for beef or milk simply because Oregon increases labor costs. Costs for feed, 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. While we appreciate the range exemption contained in HB 4002A, no livestock operation solely has animals on the range, and work in barns and stockyards is often required. Tracking time would create a logistical headache for our operations.

Oregon's specialty crops are also labor intensive and have peak seasonal needs, including harvesting, pruning, and planting. This bill will likely cost producers thousands in new labor costs that we can't afford. To remain in business, we 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. We do not want to do this, but that is the practical reality. The tax credit provided in the bill is not a durable solution, and we will have to begin the transition away from labor immediately.

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 like 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 ranches and dairies for their income. Farmers have been clear about the consequences of this policy, but we are also worried that farm employees will see their paychecks reduced or jobs cut if overtime pay is required after 40-hours. We also may not be able to provide health care, provide free housing, provide free vehicle, pay end-of-season bonuses or any number of incentives that are common to attract skilled labor in

agriculture.

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 livestock and crop producers. Our needs aren't seasonal, and imposing new costs at this difficult time will sacrifice our local, family-owned dairies, livestock operations, specialty crop and range operations. We would rather take our chances with BOLI than face the certain reduction in hours and family-scale livestock and specialty crop operations that this bill guarantees