



Service Employees International Union Local 503

72,000 public services workers, care providers, and non-profit employees in Oregon.

To: Joint Committee on Farm Worker Overtime

On: February 24, 2022

Re: House Bill 4002-A

Co-Chairs Taylor and Holvey, members of the committee,

My name is Dr. Daniel Morris. I am the Research Manager for SEIU Local 503, a Union of 72,000 public services workers and care providers in Oregon. We envision a just and vibrant society where everyone is treated with dignity and respect, and where all people can provide for themselves and their families. SEIU strongly supports HB 4002-A, to provide overtime pay to agricultural workers.

Agricultural work is hard, and agricultural workers work long hours. For too long those workers have been ineligible for overtime pay, a protection granted to nearly every other wage earner in Oregon. I believe that structural racism is largely to blame for the denial of overtime pay to farmworkers, as most have brown skin. Farmworker overtime is a moral issue.

In California and in Washington, farmworkers now earn overtime. Oregon farms rely on tens of thousands of migrant and seasonal workers every year to get the work done, and they have to compete with farms in other states for that labor. If Oregon doesn't extend overtime protections to farm workers, farms here will be less able to attract the workforce they need.

Unlike California and Washington, HB 4002-A includes a generous tax credit for employers to offset the cost of overtime pay as the law is phased in. This tax credit represents a direct subsidy to farm owners, and since it is refundable, employers can claim the full value of the credit even if they have no tax liability to offset. The tax credit offsets a greater share of overtime costs for smaller farms. To be clear, Oregon doesn't need to offer this tax credit to ensure farmworker overtime is implemented smoothly—farms have already received a huge amount of government assistance. In fact, the report commissioned by the Oregon Farm Bureau to oppose this measure noted that "overall US net farm income (an indicator of farm profitability) is expected to increase by 43% from 2019," due to government assistance. Farms can remain profitable while paying overtime, just like other businesses do.

I know you've heard testimony predicting dire consequences if this bill passes, from a chorus of people who stand to make more money when they pay workers less. The same groups have made similar claims about other laws, like raising Oregon's minimum wage, and they are just as wrong now as they were then. Time and again we hear baseless claims about negative economic impacts that never come to pass. For example, the consultant the Oregon Farm Bureau hired to write a report opposing this measure was also paid to write a report opposing farmworker overtime in California. They predicted tens of thousands of jobs would be lost, but after the overtime law took effect agricultural employment in the state grew. I urge you to not let junk science and hyperbole deter you from passing this important law.

Thank you for the opportunity to testify. I would be happy to answer any questions I can.