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March 11, 2025

Oregon State Legislature House Committee on Labor and Workplace Standards State of Oregon

Re: Testimony in Opposition to HB 2548

Everde Growers is a wholesale nursery in Forest Grove, OR. We stand in opposition of HB 2548.

We are concerned with what this Bill will do to our company as well as our industry. We are a nursery in Forest Grove, employing approximately 100 people with a peak season of 140. We grow a wide variety of products from shrubs, trees, to perennials. Over the past several years with the increase in Oregon minimum wage annually, the wage increase percent has far out-weighed the percent we could increase our products. Besides the large annual increases, we have now experienced over the past two years overtime as well. I would like to share some of the things we have done to off-set some of these large costs.

- We have decreased product lines that we grow, narrowed our mix.
- We have also decreased volume we have reduced our inventory by approximately 30%. Which means we now employ less people, so less of a positive impact on our local community
- We have also reduced hours, to avoid having to pay overtime pay, which in turn reduced money in the pockets of our employees. Which again means less being spent around our community.

You may already know or not, but in the last 30 days, three of the largest nurseries in Forest Grove have filed for Chapter 11 bankruptcy. This does not help our people, community, or our county.

I implore you to think about House Bill 2548 how it will affect local businesses, community, and voters around our area. I feel strongly, IF this Bill passes, it will be a dagger to many large and small nurseries and agricultural companies around our state.

We have suffered a great deal, over the past ten years or so with recession 2010-2012. Freezes that wiped out many crops. Wage increases that have been across the board, which left it difficult to pay increases to those who deserved more. Difficulties in finding workers with the legal right to work in the United States. The overtime wage mandate, has been very difficult for all of us, as well.

Our industry cares about the people, environment, communities that we work and live in. House Bill 2548 will make it almost impossible for business to thrive and continue to care for each of these areas. I have been in this industry for fifty years and I am concerned we are not setting it up for success in the future with the next generation.

Some additional points to consider are:

• HB 2548 threatens our ability to keep farming. Oregon already has some of the highest labor costs in the country, and after several tough years, we cannot afford more regulations and wage increases.

March 11, 2025 Oregon State Legislature House Committee on Labor and Workplace Standards Page 2 of 2



- HB 2548 would give unelected officials the power to set wages and safety rules that go far beyond current protections. This would add more regulations to Oregon agriculture. Farmers know how devastating this regulatory model is. Oregon's state agencies have adopted very harmful regulations in the last five years with little to no accountability for their actions. This board would be no different; its members aren't even elected.
- HB 2548 unfairly targets agriculture by taking away at-will employment. This means I wouldn't be able to make necessary staffing decisions without the risk of costly lawsuits. One claim can cost tens of thousands of dollars or more.
- Farms should not be forced keep employees who may not meet performance expectations or adapt to the demands of the job. We have certain efficiency measures that need to be met, we do not need regulation that would take away our ability to set performance expectations and goals for our employees. All other sectors in Oregon would be at-will, but farms—whose employment needs are impacted by weather, yields, trade, market conditions, pests, diseases, etc.—would not. Not only is that unfair, but it would likely result in job loss, not job security.
- **HB 2548** doesn't help workers or consumers; it just makes farming harder and more expensive. As a result of past regulation, we have already had to reduce hours for workers to comply with agricultural overtime, and this bill would have even more severe consequences.
- **HB 2548 shifts the burden of proof.** The proposal would require employers to prove the reasonableness of a termination, shifting the burden to them. Family farms and ranches would be vulnerable to costly litigation, as they would need to defend against employment claims, even in situations involving market conditions, poor yields, or weather events. We need to be able to manage our business.
- **HB 2548 would increase litigation costs.** Farming already face enormous financial strain. It costs around \$75,000 just to settle a claim before it reaches court. Adding legal risks will only increase financial pressure, especially for small, family-run operations.
- **HB 2548 would increase economic hardships.** Many Oregon farms are already struggling with poor yields and low commodity prices. Most will spend the next several years recovering from cash losses incurred in 2023 and 2024. This proposal adds another layer of uncertainty that could force family farms into financial ruin.
- **HB 2548 would take away staffing flexibility**: The proposals limit necessary flexibility for staffing and termination decisions, making it harder for employers to navigate the unpredictability of farming. These restrictions could lead to difficulty in hiring and maintaining a workforce.
- HB 2548 would threaten the livelihood of family farms and ranches by imposing unnecessary legal burdens. It increases costs and limits the flexibility needed to manage agricultural businesses. At a time when family farms are struggling to stay afloat, the Legislature should reject this punitive concept.
- The emergency clause making this bill effective immediately upon passage is unreasonable.

It is our request that the House Committee reconsider this bill. The agricultural industry is a vital part of the Oregon economy. This bill, as drafted, will be a detriment to our state in addition to the overall agricultural industry.

Respectfully submitted,

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