



Oregon Dairy Farmers Association
1320 Capitol Street NE, Suite 160
Salem, OR 97301
Phone: 971-599-5269

Tammy Dennee, CMP, CAE – Legislative Director
Cell: 541-980-6887

SB 1532-A TESTIMONY

HOUSE COMMITTEE ON BUSINESS & LABOR
REPRESENTATIVE PAUL HOLVEY, CHAIR

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Presented by
Tammy Dennee, CMP, CAE – Legislative Director
Oregon Dairy Farmers Association

My name is Tammy Dennee. I am the Legislative Director for the Oregon Dairy Farmers Association headquartered here in Salem, representing 240 Oregon Dairies statewide. These multi generational farm families deliver the highest quality milk to the market everyday **under strict federal regulations**. In 2014, the milk produced on their farms resulted in an economic contribution of more than \$650 million dollars. The number of Oregon Dairies is directly related to the ability of each farm to withstand milk market price fluctuation against the cost of feed, labor, taxes, equipment and much more. It is imperative any new regulations passed by the Legislature during this Short Session are carefully considered so as to offer protection where needed and to not put dairy farms in harm's way.

The Oregon Dairy Farmers Association respectfully opposes **the Increase to Minimum Wage as part of the Short Legislative Session laid out in SB 1532-A**.

The Oregon Dairy Farmers Association has been hesitant to jump into the vitriol that is surrounding the many conversations relevant to Minimum Wage. But, it has reached a point, where we would be doing a dis-service to our farmers and allied industries if we remain silent. Therefore, the Oregon Dairy Farmers Association is now verbalizing its position in opposition to the increase in Minimum Wage as part of the Short Legislative Session.

Primarily, the farmers represented by ODFA can ill afford a significant increase to their payroll expenses. By raising the "entry wage" known as Minimum Wage, the farmers would be forced to then raise the wages commensurately of their remaining work force. Milk prices are tied to a global economy and dairy farmers are, in fact, receiving less for their milk today than they were even a year ago.

Secondly, the reality for today's dairy farmer is a work week that is seven (7) days in length, 365 days a year, around the clock. The farmer does not have the luxury of taking days off for the weekend, illness, holidays or birthdays. The converse of that for the Dairy Farmer is to manage their employees' work schedule in a manner that does allow them to have days off. Their workforce is well compensated for their hard work. Those who are on the payroll at the entry wage level, are workers who have only just begun, or have made a decision to remain in a limited responsibility capacity.

Finally, if the voters are faced with a ballot measure and it passes, then the voters will bear the responsibility of the economic impact. The conversation taking place in the Capitol shields the voters from the reality and responsibility of their decision making.

Should County Governments decide, county by county, to refuse implementation of the minimum wage passed in this Session, where does that leave the Dairy farmer who may have farms that span two counties with opposing views?

Furthermore, SB 1532-A raises a question for farmers with Dairy operations located in multiple counties as to how their payroll will be impacted and calculated if they have operations in counties designated as different tier levels? Language in the Bill currently speaks to "where the Employer" is located as opposed to where the employee is physically located.

It is the belief of the Oregon Dairy Farmers Association that with the many unanswered questions raised by this Legislation, Oregonians would be better served by letting the people decide through a ballot measure: referral or initiative. The proponents of the Ballot Measure recently indicated publically that the passage of this Legislation will not necessarily deter the effort to pursue a Ballot Measure.

Oregon's dairy industry is worth protecting and preserving. We respectfully request this Committee oppose SB 1532-A to increase Oregon's Minimum Wage.