



A handwritten signature in black ink, appearing to read "Chuck" followed by a surname that is partially obscured but seems to be "Beaman".

## **Oregon Farm Bureau Requests Your OPPOSITION to SB 1532-A**

SB 1532-A unduly burdens Oregon's farm families, who do not have the ability to increase prices incrementally to adjust to a stepped wage increase.

### **Fails to Recognize Global Markets**

Approximately 80% of Oregon commodities are exported nationally and internationally. Oregon farmers compete against states and countries with significantly lower wage rates and are already at a competitive disadvantage. The vast majority of farmers cannot raise their prices to offset the wage increase in SB 1532-A. Many farmers do not have the resources to mechanize, and others may not have the resources to replace labor-intensive crops with other plantings. With over 250 different commodities, Oregon is known for its abundance and diversity. Unfortunately, SB 1532-A will force out cornerstones of agriculture, including dairy, berries and tree fruit orchards.

As it is, the use of the urban-based CPI to calculate annual increases overstates the cost of living in most of Oregon's 36 counties. Commodity prices are falling. A strong dollar pushes prices even lower for exported products, which make up over half of all Oregon ag products. This may be the worst time in years to impose an additional increase in the minimum wage on Oregon's family farmers. SB 1532-A would make Oregon uncompetitive with the other ag states and would inevitably result in layoffs for those family businesses that cannot afford to pay the increase, indisputable compression, and subsequent indexing to the CPI.

### **Imposes Unknown Costs on Rural Communities**

Farming and ranching are pillars of our rural communities and most small towns. When farm families are hurt, those communities hurt as well. Farmers are already facing significant cost increases, including implementing a sick leave mandate for all employees. There will undoubtedly be other costs employers are struggling with when SB 1532-A ties the minimum wage increase to inflation.

The cost impact on farm families does not end at the increased wage rate. Raising the Oregon minimum wage would increase employer payroll and unemployment tax payments since these rates would now be applied to higher wages. These added costs, coupled with the wage increase itself and the non-wage benefits provided by agricultural employers (including housing), will be particularly harmful to Oregon's farmers and their communities—the weight of all of these regulatory burdens is cumulative. Unknown costs, coupled with an unknown economy, create concern and uncertainty for Oregon's farm families.

### **Hurts Youth and Inexperienced Workers**

Increasing the minimum wage to such a high level discourages employers from hiring inexperienced and younger employees and prevents them from getting their foot in the door or receiving training. Additionally, SB 1532-A puts current workers (already at the proposed pay level) at an extreme disadvantage as their wages become compressed in comparison to their newly hired counterparts. The proposal creates a significant barrier to entry-level workers looking to gain experience.

Now is not the time to raise the minimum wage. SB 1532-A puts Oregon's financial future in uncharted waters, imposing this risky experiment on a state will harm family businesses and employees. Unfortunately, no one will be hurt more by SB 1532-A than Oregon's family farmers.

**Please vote "NO" on SB 1532-A**