

TO: Representative John Lively, Chair
Members of the House Committee on Early Childhood and Family Supports

FR: Blake Rowe
CEO, Oregon Wheat Growers League

RE: Oppose HB 3087 – A New Tax on Employers

The Oregon Wheat Growers League (OWGL) is proud to represent nearly 2,000 farms across Oregon that produce wheat, one of our state’s largest and most valuable crops. Wheat contributes hundreds of millions of dollars in direct and indirect economic value to Oregon’s economy, especially Oregon’s rural economy. These investments translate into much-needed jobs for rural working families and opportunities for entrepreneurial Oregonians to achieve the American dream. HB 3087 would slow job growth and make it harder for Oregon farmers to seize opportunities to compete in the wheat market. **OWGL urges you to oppose HB 3087 so that Oregon’s agricultural economy can continue to grow and thrive.**

Oregon wheat growers are committed to providing quality jobs to Oregonians, especially in our rural communities. Our success as an industry depends on our employees, and we offer the most flexibility and best benefits to our employees that we can afford. This is why imposing a new one-size-fits-all paid family leave mandate on employers who are already struggling to quickly implement new mandates, such as paid sick leave and minimum wage increases, is the wrong approach—especially on an industry that competes in national and international commodity markets where prices are set with no consideration for local mandates and costs.

HB 3087 would apply to all employers, regardless of size, and impose a new 0.5% tax on employers and employees to foot the bill. Current state and federal family leave laws exempt small employers, recognizing the unique challenges that small employers face as they compete in a global economy. Subjecting all employers, regardless of size, to a new employer-employee-funded mandate will increase our overhead costs and make us less competitive. Moreover, the twelve-week leave period HB 3087 proposes would impose unique burdens on the agricultural sector due to its seasonal harvest schedules.

Not only would HB 3087 further limit our ability to effectively compete in the global markets, but it would also put Oregon farmers at a disadvantage to farmers in other states. Only four states have mandated paid family leave, and the programs in all four states are 100% employee-funded in the form of an employee insurance program. If Oregon needs a new paid family leave program, then it should follow the lead of California, New Jersey, Rhode Island, and New York, and not tax employers.

Oregon’s rural communities need job growth and continuing investments in economic development, both of which HB 3087 would hinder with its new employer tax. For these reasons, OWGL opposes HB 3087.