

My name is Greg Elwell. I am General Manager of Iseli Nursery where we employ 240 full time employees. I want to share with you my concerns about the real impacts of HB 2358 and SB 616 on both our nursery and our employees.

These bills would require every farm and ranch in Oregon to pay overtime to employees after 40 hours of work. Currently, agriculture is exempt from overtime pay under the federal Fair Labor Standards Act and in most other states. These bills propose one of the most aggressive overtime policies in the country, which would be devastating for local farmers and our employees.

As a farmer, I am a price taker, which means that I cannot simply increase the sale price of my crops to account for added labor costs. Consumers set our prices and will buy from other states or countries that sell at a cheaper price. I will have to absorb any added overhead. That's the economic reality I deal with every day.

I will not be able to afford the added payroll costs proposed in HB 2358 and SB 616, as it will likely cost me \$368,000 in new labor costs. To stay in business, I will be forced to limit the number of hours worked by my employees to 40 hours in a week to avoid the added expense of overtime pay. I do not want to do this, and my employees do not want me to do this, but that is the practical reality of these bills.

Farmers and ranchers will have to mechanize operations, transition to less labor-intensive crops, or even move outside of Oregon to stay in business. Farm employees are at risk of losing their jobs if downsizing, switching crops, or mechanizing are the only options available to a farm or ranch. If this bill passes, I will need to limit employees to 40 hours per week to stay in business.

As a business, we can't operate at a loss year-over-year, so we have to control costs that seem to increase every year in Oregon. I know it's not the goal of these bills to reduce employee take-home pay, but HB 2358 and SB 616 demand wages that are not possible with the economics of agriculture and will result in reduced pay and hours for farm employees.

I am very concerned that this policy hasn't been well-vetted and will actually harm those it intends to help.

Please oppose HB 2358 and SB 616 this session. These bills would negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers!