

Testimony opposing HB 2358 and SB616

My name is Kevin Corn, and I am a fourth-generation farmer in Ontario, Malheur County. I Farm with my family and 9 full time employees. All these employees have worked here for many years and have grown into key parts of the operation. Many of my employees were previously BLM firefighters so they were used to hard manual labor. But with more time away from their families they decided to become full time agricultural workers. I want to share with you my concerns about the real impacts of HB 2358 and SB 616 on both my farm and my 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, and the markets are volatile and move up and down depending on world economic and political happenings, and we cannot plan on a set price for our product, year after year. That is 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 Thousands 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. I pay my employees better than Minimum wage and during harvest we work long hours, and they can generate a pretty good paycheck for a short work season. On average they make more without overtime than if I paid minimum wage with overtime. The true cost of this bill will be in the jobs lost as mechanization becomes more and more of my reality. Rather than an employee having a steady job with good pay, I will have to resort to more seasonal help to try and save where I can. I will also have to look at bringing in workers from other countries for seasonal work, as our work force in America moves on from agriculture. As a family business, we cannot operate at a loss year-over-year, so we must control costs that seem to increase every year in Oregon. With every bill passed that increases or adds a tax or a regulation, that cuts into my bottom line and I must adjust my budget to fit an income that is a moving target based on yield and price, which I have no certain control over either one. I know it is 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 has not been well-vetted and will harm those it intends to help. Agriculture is the lifeblood of all rural communities; we do not need to be penalized for a way of life that is the heart and soul of my family farm. Oregon Agriculture is some of the safest most efficient food source we have access to, Bills like HB 2358 will not only harm our industry and communities in the short term as we adapt but will kill it for future generations.

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!

Kevin J. Corn
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