

Oppose HB 2358 – Job Killer for Family Farms and Farm Employees

For as long as there have been wage and hour regulations, the law has treated farms differently, as farmers and their employees need to work unique hours to harvest crops, take care of livestock, and keep our supply of agricultural products secure. Oregon has a relatively short growing season, and producers must constantly battle time and the elements to get perishable goods to market. Many farmers are able to offer incentive-based pay for difficult farm work, called piece rate, which results in wages well above the minimum wage. However, farmers operate in a global trade market on the thinnest margins and are unable to increase the price of commodities to account for huge swings in the cost of labor; we are price takers. These variables set agriculture apart from other sectors and account for some of the differences in federal law and Oregon law.

In a drastic departure from federal law and most other states, HB 2358 would require that all farms, regardless of size or seasonality, pay overtime to employees after the first 40 hours worked. Local farms and ranches simply cannot absorb the added workforce costs proposed in these bills.

Farms will be forced to control labor costs by **reducing employee work.** Reduced work hours mean **less take-home pay for farm employees**.

Many operations will likely **move to double shifts** when possible in order to reduce overtime costs, **or they will simply reduce productivity**, harming Oregon's economy.

Operations will **switch to less labor-intensive crops or mechanize** because they cannot absorb these added costs.

Many family and century farms will **simply not be able to stay in business**. Fewer farms mean fewer jobs, reduced crop diversity, and devastating impacts on rural culture and rural economies.

Oregon farms and farmworkers are major contributors to Oregon's economy. As much as farm employers would like to be able to pay higher wages, the economics of agriculture does not provide many with the ability to do so. <u>Unfortunately, the ultimate result of HB 2358 will be reduced hours, cuts in compensation for workers, and a transition away from the specialty crops that define Oregon agriculture.</u>

Farmers and ranchers are at a breaking point. The cost of doing business in Oregon is increasing every day, including one of the highest minimum wage rates in the country. Now is NOT the time to saddle family farms and ranches with an additional unsustainable mandate that will only cost employees their jobs and wages.

Please vote "NO" on HB 2358