

**GRAY ORCHARDS, INC.  
5125 CRUSHER DR  
PARKDALE, OR 97041**

My name is Linda Gray and I farm in Hood River County. I grow pears and employ approximately 65 employees, many of whom come back to my farm year after year. I want to share with you my concerns about the real impact of HB 2358 on both my farm and my employees, which is scheduled for a public hearing in the House Business and Labor Committee today, March 8<sup>th</sup>.

HB 2358 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 Farm Labor Standards Act and in most other states because of the unique seasonal nature of agriculture production, affecting both the total period when agriculture activities can be pursued and the days within the "season" when work can be performed.

HB 2358 proposes the most aggressive overtime policy in the country, which would be devastating for local farmers and our employees, who are already struggling financially.

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, as it will likely cost me \$60,000 in new labor costs. To stay in business, I will be forced to limit the number of hours 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 this bill.

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 cut employee hours and mechanize to stay in business.

As a family 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 this bill to reduce employee take-home pay, but HB 2358 demands 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 this session. This bill would negatively impact not only family farms and ranches in Oregon, but also agricultural workers! Thank you for your time.

Linda Gray