



March 8, 2021

Rep. Paul Holvey, Chair  
House Committee on Business & Labor  
Oregon House of Representatives  
Salem, Oregon

**Re: Oregon Wine Council Opposes HB 2358**

Dear Chair Holvey and members of the committee,

On behalf of the Oregon Wine Council, which represents over fifty percent of the Oregon wine grapes grown, produced and sold, we are writing to share our concerns with the proposal outlined in HB 2358, which would require overtime payments to agriculture workers.

Those who work in Oregon's prized vineyards are highly skilled, committed to their work and often have been employed by the same vineyard for many years. At its core, our industry is driven by those who meticulously spend hours tending to our vines and wine grapes throughout the year and work tirelessly to ensure our grapes are able to be effectively and efficiently harvested at the peak of ripeness during our harvest season. Our members deeply value those involved in the harvest of our grapes and tending of our vines – they are vital members of our winemaking family, many of whom have been with our teams for years.

As with most agricultural products, the window for harvesting wine grapes is incredibly narrow. Once grapes are ready for harvest, growers face a fight against time to get them off the vine and into the wine making process. These conditions often mean that farmworkers are picking longer than a traditional workday, which is why laws have always treated farms and their employees differently when it comes to wage and hour regulations. Because of this, many farmers, including many vineyards, are able to offer incentive-based pay, called piece rate, to these workers, often resulting in wages well above minimum wage.

HB 2358 would break from federal law and most other states and require that all farms, regardless of size or seasonality, pay overtime to employees after the first 40 hours worked. Our local wine growers cannot absorb the added labor costs proposed in this legislation, and we are concerned that this proposal would have the opposite effect that it intends, as vineyards would be forced to reduce hours, decrease compensation for workers and increase mechanization.

As you know well, our industry has been devastated over the last year by not only closures and restrictions of tasting rooms and restaurants due to the pandemic, but also by unprecedented wildfires which ravaged the state in September 2020, which led to increased costs and losses for many vineyards and wineries. A recent wine industry report found that the industry's total economic value in Oregon dropped last year by over \$1 billion.

While our industry is known for its adaptability and strength in the face of challenges, Oregon's homegrown wineries and vineyards are hurting. Enacting a bill such as this at a time when the industry is already facing economic challenges would greatly increase costs for our farmers and would result in reduced income for our vineyard workers.

We know from speaking with wine grape growers that our farmers would not be able to absorb the costs of overtime pay and that if this proposal were to go into effect, that most vineyards would be forced to either cap employee hours at 40 hours per week and hire more employees or find ways to mechanize vineyard operations where possible.

Wine grape growers know their workers provide exceptional value to their operations and appreciate the opportunity to provide piece rate wages, but the nature of the industry would not allow these farms to provide substantial overtime pay. In turn, HB 2358 would result in reduced hours, decreased compensation for workers, and increased mechanization in an industry that currently provides thousands of well-paying jobs to farmworkers in Oregon.

We encourage you to consider the impacts of these bills not only on Oregon's vineyards and wineries, but also on the workers who play such a vital role in the growing and harvesting of our world renowned wine grapes. Please protect our industry and our workers by opposing HB 2358.

Sincerely,

Elin Miller  
Co-Chair, Board of Directors  
Oregon Wine Council

Ken Johnston  
Co-Chair, Board of Directors  
Oregon Wine Council