



## NAUMES, INC.

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March 8<sup>th</sup>, 2021

The Honorable Paul Holvey  
Chair, Committee on Business and Labor  
Oregon House of Representatives  
900 Court St. NE, H-277  
Salem, Oregon 97301

Dear Chair Holvey and members of the committee,

I am writing you today in regards to the proposed House Bill 2358. I appreciate the opportunity to comment on the significant challenges this bill represents to the tree fruit and wine industry in Oregon.

Naumes, Inc. and Naumes Family Vineyards strongly oppose HB 2358, which would increase cost for farmers across the state. Introducing overtime requirements after 40 hours of work per week would have a massive impact on growers whose operations tend to be of a seasonal nature with little activity happening in many parts of the year, followed spikes of work during the pruning and harvest seasons. Based on past time sheets, we are estimating that these overtime bills would increase our field operating expense by around \$250,000. Naturally, the extra burden of overtime would hit operations especially hard when things are tightest. Given the escalating minimum wage, mandatory sick pay, paid time off and other rising costs it is doubtful whether growers can survive the addition of yet another expense.

HB 2358 would also have a negative impact on agricultural workers in the form of reduced hours. Due to the increased cost of overtime, growers will be forced to cut back hours whenever possible and keep workers within the 40 hours per week range. Many agricultural workers request more hours per day and extra days of work but growers would have little incentive to offer more hours if they are required to pay time and a half. Most major orchard functions are paid by the piece, and piece rate workers tend to make significantly more per day than regular hourly workers. Cutting back hours ensures that their pay would be significantly impacted. Introducing mandatory overtime for agricultural operations is detrimental to the very individuals that it claims to benefit due to decreased hours offered and the loss of operational flexibility.

Agriculture throughout the state of Oregon would be adversely affected by the adoption of HB 2358. Most farming operations are price takers and would be unable to absorb or pass on the cost of agricultural overtime. Overtime requirements would strip away the flexibility that exists to account for the seasonal nature of farming and would certainly lead to reduced hours for those it seeks to benefit. Naumes, Inc. and Naumes Family Vineyards oppose HB 2358 and ask our representatives to preserve the agricultural overtime exemption, which is still maintained federally and by the majority of states.

If you like to discuss the matter further please feel free to contact Sean Naumes at [seann@naumes.com](mailto:seann@naumes.com) or at 541-941-6932.

Sincerely,

Michael D. Naumes  
President, CEO  
Naumes, Inc.

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