

To the House Committee on Business and Labor,

My name is Wendy Coates and I am farm in Marion County with my family. I raise sheep and bale and stack grass seed straw for export. We employ 3 full time and 5 seasonal employees. 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 on March 8th.

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

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.

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 this bill. It is difficult to find employees as it is without this new regulation.

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 already know many farmers who try doing as much of the work as they can by themselves. We are working toward an early grave, because all the rules and regulations we have to follow which drives up the cost of doing business. If what you are trying to do is get rid of all the small to mid-size family farms, you have a good start. I am strongly opposed to this bill.

Please oppose HB 2358 this session. This bills would negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers!

Wendy Coates