

My name is Marlita Stauffer. I am a family farmer in Marion County. I farm hops and hazelnuts and seasonally employ up to 50 hard working employees. Most of these employees have been coming back to my farm year after year.

I am deeply concerned about HB 2358 and its financial impact on my business and employees. HB 2358 would require every farm and ranch in Oregon to pay overtime to every employee after 40 hours of work. Currently agriculture is exempt from overtime pay under the Fair Labor Standards Act and in most other states because of the unique seasonal nature of production, affecting both the total period when agricultural activities can be done and the days within the "season" when work must be performed. Simply put, agriculture is not a 9 to 5, 5 days a week job. Perishable products do not get harvested and weather does not conform to a 40 hour week world.

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 any added labor costs. Consumers set our prices and will buy from other states or countries that sell the product at a cheaper price. I will have to absorb any added overhead. Along with Oregon's increases in taxation, that's the economic reality I face every day.

I will not be able to afford the added payroll costs proposed in HB 2358. Using figures from last year's labor costs, it will likely cost me well over \$100,000. in new labor costs. 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.

Agriculture is experiencing a serious workforce shortage. I already do a lot to compensate my employees. For example, I pay a wage far above the Oregon minimum, offer retirement contributions, pay retention bonuses and added vacation/leave and sick time.

With HB 2358, some farmers and ranchers will have to mechanize operations, switch to less labor-intensive crops or move outside of Oregon to stay in business. I already know of farmers who have moved out of Oregon in order to stay in the farming business that they love. Because of the unique and specialized nature of raising hops and hazelnuts I have invested over the years millions of dollars in the specialized equipment and infrastructure it takes to grow a marketable product. Transitioning to a less labor-intensive crop is senseless, costly and a devastating loss for my family farm. It is not an option. Most likely I will have to stop farming and the loss of my family farm that has supported generations of family, hard working employees and their families and the community for well over 100 years is a truly devastating and heartbreaking thought.

Most farms operate on a thin margin and my family farm can not continue at a loss year-after-year. HB 2358 would cause reductions in my employee's take-home pay and most likely cause at least two full time employee lay offs. On top of this, we would have to reduce benefits such as retirement contributions, extra vacation/leave time and bonuses.

The economic truth of HB 2358 is hard and harmful.

I am asking you to please OPPOSE HB 2358 this session. This bill would negatively impact not only family farmers and ranchers in Oregon, but also agricultural workers.

Thank you for your attention and consideration.