

29 March 2021

To Oregon legislators:

I have worked on the same farm in Salem for almost ten years. In that time, the state has added many financial burdens, including increases in minimum wage, sick pay and the corporate activity tax. To add overtime for agricultural workers would be unduly burdensome and financially destructive to the farm. The legislators who drafted HB2358 clearly have no concept of the business of agriculture. The bill will bankrupt or close many farms and will harm the workers it purports to defend. It must not pass.

Since we cannot harvest all our crops with each person working only 40 hours, we will have two options. Either we hire fewer people and harvest by machine, or we hire more people. Machine-picked crops generate much less income than hand-picked crops. Machine picking will reduce our ability to pay overtime even more. Hiring fewer employees and limiting their hours will devastate family budgets, potentially forcing farm workers into poverty, hunger and homelessness. Many farmworkers rely on the income from extra hours worked in the summer to pay bills for the entire year. They want the extra hours.

Paying overtime to our current crew, as employed in 2020, would have increased our payroll costs by 7.5%. Adding multiple employees to enforce the 40-hour limit and handle the increased paperwork would increase costs even more. How do legislators think farms can absorb a 7.5% increase in payroll expenses? The 7.5% increase is on top of the almost 3% increase for sick pay and the CAT.

If farmers controlled the prices of their products, if farmers could simply raise the price on their crops to cover the increased costs, the staggering cost of overtime might not put us out of business. But, producers do NOT control the prices they are paid for their crops. With commodities, the customer sets the price. The state may increase our expenses 7.5%, but our income may fall by 100% or more if prices are low. Such a situation would cause us to stop growing our berries. No business can survive that financial situation.

In summary, HB2358 will increase farm costs to an unsustainable level, reduce agricultural employment, and possibly bankrupt many farms. As I said, the workers whom the legislators think they are helping with this bill instead will be seriously harmed financially by the passage of this bill.

Best Regards,

Anne Hank
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