



From the desk of:

Chuck Thomsen

Vote "NO" on HB 4002-B

HB 4002-B limits worker paychecks. HB 4002 will **NOT** increase farmworker take-home pay. Just like workers in California, Oregon's farmworkers will find their hours capped at the statutory threshold and wages and benefits reduced as farms struggle to stay in business, leading some workers to find another job.

HB 4002-B kills family farms. Farm and ranch families don't have the same ability as restaurants or retail stores to set prices when costs increase, and most other states don't impose overtime costs on agriculture. Oregon's farmers operate in a highly competitive global market that determines the price of commodities, and face regulatory costs much higher than their competitors in other states and countries. The economics of agriculture provide no other option except reducing labor to control costs, including: investing in machines; transitioning to less labor-intensive crops that require fewer workers; reducing worker hours or hiring a second shift to avoid accruing overtime; and selling the farm to developers or corporations.

Tax credits are unworkable. HB 4002's dysfunctional tax credits provide inadequate and delayed assistance to the farm and ranch families who need it most.

- The tax credit is a lottery. Payments are uncertain, and farms can't count on them.
- The tax credit declines as the need increases. Farm families are squeezed to their breaking point as the threshold decreases to 40 hours.
- The tax credit won't be paid out until nearly two years after overtime wages are paid. This requires farm families to front money they don't have.
- Farmers who utilize labor contractors won't be able to use the credit.
- Tax credits are subject to the whim of future legislatures and the availability of tax dollars.
- The tax credit picks winners and losers and all but ensures certain ag sectors sell out.

It's more likely that many employers will immediately adjust their schedules to avoid workers accruing overtime, as seen in California.

Last-minute amendment eliminated the study of the farm economic impacts. The -A12 amendment was posted moments before the work session and eliminated the study of the economic consequences to local farms and ranches. This is not transparent policymaking.

Farmers and ranchers across Oregon have been clear—HB 4002-B demands wages that farmers cannot afford, resulting in capped hours and reduced paychecks for workers. Without a workable legislative solution to agricultural overtime, we'd rather work through the regulatory process at BOLI.

Please Vote "NO" on HB 4002-B