

The League of Women Voters of Oregon is a 102-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 8, 2022

To: House Committee on Business and Labor

Representative Paul Holvey

Representatives Daniel Bonham and Dacia Grayber, Vice-Chairs

Re: <u>HB 4002</u> – Overtime Pay For Farm Workers – **Support**

The League of Women Voters of Oregon (LWVOR) has read and listened carefully to public hearing testimony and work session discussions airing both sides of the question of overtime pay for farm workers since the beginning of the 2021 Session. Should farm workers be afforded via state law the same protection against overtime work without additional compensation enjoyed by almost all other categories of workers under the federal Fair Labor Standards Act of 1938 even though their employers would experience increased labor expenses?

We must answer yes, for several reasons:

- The League of Women Voters (LWV) believes that all persons have the right to an income and/or services sufficient to meet their basic needs for food, shelter, and access to health care. The LWVUS Board has interpreted the League's "Meeting Basic Human Needs Position" to include support for a "living wage."
- The Oregon League conducted a <u>study of Farmworker issues</u> in 2000. With regard to income sufficiency, we found farmworkers to be "... among the poorest of all workers." While we don't see serious dispute of this fact, a major part of the reason for that, as well as for high risk of poor health status and other associated indicators, is exclusion of farmworkers from coverage by major national laws put in place to provide basic protections for America's employees. This began with their exclusion from the Fair Labor Standards Act of 1938, which, among provisions, called for overtime pay. The agricultural lobby has consistently opposed changes to that Act, as well as to other laws regarding labor rights for farmworkers. Our study called for a number of ways to address income and other inequities, including support for overtime pay for farmworkers.
- The League—nationally and in Oregon—is committed to supporting diversity, equity, and inclusion and combating policies and practices based on racism. As the bill's sponsor, Representative Andreas Salinas, pointed out, including in her testimony submitted to the House Business and Labor Committee, that the exclusion of farmworkers from the protections of the Fair Labor Standards Act of 1938 stemmed from a political deal in Congress to obtain the votes of southern Legislators for that and other New Deal legislation. We conducted <u>further research</u> on this and came to the same conclusion. We link to her <u>testimony</u> rather than repeat the shockingly transparent quotations she provided for the record.

LWVOR has concluded that HB 4002 is the long-overdue extension of the right to overtime pay to farmworkers, a right that most other categories of workers have enjoyed for the past 84 years. It is one step in the direction of improving the economic stability of farm workers—essential workers who, due to language, discrimination, educational level, and/or citizenship status, have few if any other employment choices. And importantly, HB 4002 is about righting a wrong well-documented based on racism. The time to do that is now.

Legislators are faced with the same question as you were in 2021: How can we give farm workers a right they should have had all along if it simultaneously ends the unique cost-saving measure the agricultural businesses have come to rely on to keep their bottom line manageable: avoidance of paying for overtime work? We add another question: If not now—when?

In looking for answers, this session HB 4002 reflects serious and genuine efforts by the sponsor and proponents to devise a solution to this dilemma.

- 1. HB 2358 as originally introduced, called for an immediate solution, but by amendment, they offered a phased-in period of two years—to 2024—before overtime pay would be required for work over the standard 40 hours weekly that all other employers pay, this even though farmworkers and their families will continue to be financially disadvantaged in the meantime.
- 2. HB 4002 retains that measure but extends the phase-in three additional years for a total of five—to 2027—before overtime pay is required for over 40 hours of work.
- 3. But HB 4002 goes even farther to mitigate the impact on employers by establishing a tax credit for overtime wages paid, beginning with 50% of those costs and not being fully phased out until 2027.

We have concluded that HB 4002 represents a fair and reasonable pathway to address the situation at hand. We believe unequivocally that requiring in 2021 that overtime work by farmworkers be in alignment with the Fair Labor Standards Act—in excess of 40 hours during work weeks year-round—is essential in terms of fairness, equity, dignity, and economic, racial, and social justice. And the statutory mechanism to get that done needs to be established now, even if getting there takes some years. Exclusion of farm workers from overtime pay requirements results in significantly lower total earnings despite potentially unsafe and unhealthy numbers of hours worked by a population with high rates of poverty, illness, and often exceedingly poor living conditions. It also jeopardizes Oregon's ability to attract farmworkers at a time of labor shortage as California and Washington have already acted.

LWVOR urges you to support HB 4002. Thank you for your attention to these comments.

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