

Submitter: Jeff Malensky

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB4002

My 3rd generation family farms in Washington County. We sell the best quality blueberries to Costco, Trader Joes and to Asia during our summertime. I grow/raise 100 acres and work together with 4 other hard working blueberry grower families in Washington County. We employ up to 100 employees, many of whom come back to my farm year after year. I am concerned about the impact that ag overtime would have on my farm and employees. I do everything I can to compensate employees fairly, but as a farmer, I am a price taker. This means that I cannot increase the sale price of my crops when labor costs increase. Consumers in the global commodity market set our prices. Any added costs will have to be absorbed by my family's farm. That's the economic reality for those of us in agriculture.

Oregon's specialty crops are labor intensive and have peak seasonal needs, including harvesting, pruning, and planting. This bill will likely cost me \$86,000 in new labor costs that I can't afford. To remain in business, I will be forced to limit the number of hours that employees work to 40 hours per week, mechanize or transition to less labor-intensive crops to avoid the added expense of overtime pay. I do not want to do this, but that is the practical reality.

Farmers have been clear about the consequences of this policy, but I'm also worried that farm employees will see their paychecks reduced or jobs cut if overtime pay is required after 40-hours. The other unintended consequences for employees will be provide free housing, and pay end-of-season bonuses. Additionally, those dedicated employees that depend on putting in the 60 plus hours in a week to bring our crops to the consumers, will be needing to look for additional employment to supplement their income to live. The reason for this is that we will not be able to give them more than 40 hours. I think about our employees' families and how tough this would be on them to work another job just to supplement the hours that we will not be able to provide.

As a family business, we can't operate at a loss year-over-year. Mandating overtime after 40-hours demands wages that are not possible with the economics of agriculture and will result in reduced pay and opportunities for farm employees. Only seven states have adopted ag overtime policies, and most have crafted policies that ensure that local farms can remain viable and that employees' jobs and paychecks are protected. Several states have adopted policies to meet seasonal needs and others established higher overtime thresholds that help avoid some of the worst consequences.

As someone who stands to lose their family business, I urge you to oppose an

overtime mandate at 40-hours.