

2-7-22

To: Representative Jessica George
900 Court Street NE H-479
Salem OR 97301
Rep.jessicageorge@oregonlegislature.gov

Regarding: House Bill 4002

Dear Representative George:

My name is Kathy Wilmes and I own KG Farms, Inc. along with my husband Greg Wilmes. We live between Woodburn and St. Paul on a family owned farm. I am writing today to urge you to oppose House Bill 4002.

House Bill 4002 would require Oregon farms to pay overtime wages when 40 hours are exceeded in a work week. I was born and raised on a family farm and married a farmer 37 years ago. We have had many hurdles to work through over the years, but I need to say that the overtime pay requirements would be extremely damaging to our business. We currently employ roughly 60 employees of which about 15 are seasonal. The other 45 employees are full time year round employees. We have great employees who are like family to us. We pay our employees well. We take care of them and we care about them. Our business currently consists of a wholesale nursery, ryegrass, tall fescue and hazelnuts. We have crops that have seasons of high labor needs and seasons where the needs are much less. The majority of our employees are long term employees who are aware of our seasons and are willing to work extra hours to get the work done that needs to get done in a small window of time. During our high labor seasons, we will sometimes work 60 plus hours each week. During our low labor seasons, we will only work 40 to 50 hours per week. Our employees have come to rely on these hours and have set their own lifestyles around the opportunity to make the money that they can from working those hours. I will say that should this become a requirement, we will need to make drastic changes as we will not be able to offer our employees the opportunity to work past 40 hours. We pay new employees at least \$1.00 above minimum wage just to start. Our long term employees make much more per hour and have benefits included. All of our supply costs have increased dramatically plus we are dealing with a labor shortage. It is our responsibility to keep this business profitable. How do we entice the next generation

to want to continue what we have built when every time we turn around we are thrown another road block to making a profit?

How can I tell my current employees that I will have to cut their time because I can't afford to offer them more than 40 hours per week? Their take home pay will be reduced significantly. This makes me feel horrible but I have a responsibility to keep my business profitable and I can't afford to pay overtime for agriculture, there just isn't enough profit in it. We will have to completely revamp our business. We will not be able to continue to build our dream. This is devastating.

Only seven states have adopted ag overtime policies and most have created 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 the business that we have worked so hard to build, I urge you to oppose an overtime mandate at 40 hours.

I appreciate your time and attention to this matter.

Best regards,

Kathy Wilmes
KG Farms, Inc.
18995 Arbor Grove Rd. NE
Woodburn OR 97071