

## Testimony on HB 4002 Submitted by the Oregon Winegrowers Association House Business & Labor Committee February 8, 2022

Chair Holvey, and members of the committee, the Oregon Winegrowers Association (OWA) respectfully submits comments on HB 4002.

The OWA has been very involved in the agriculture overtime policy discussion for more than a year. Our Board of Directors has listened carefully to our diverse winery and grape grower membership through members forums, surveys, committee meetings, regional association meetings, and one-one-conversations.

This is a complex issue for our industry. We have the deepest respect and admiration for our employees, in particular those who work year-round in our vineyards. It is the people in our industry who have made Oregon's wine industry world-renowned.

The inequity represented by pay disparity for agricultural workers, whose skilled labor underpins all we do, does not sit well with any of us. Our community prides itself on supporting vineyard stewards through initiatives like ¡Salud! and Ahivoy.

Many of our members believe the right approach is for OWA to support a rapid phase-in to overtime pay being mandated after 40 hours of work per week. Another important segment of our industry is highlighting that the cost of paying overtime will be borne by grape growers, about one-third of whom are independent and unable to increase bottle prices to adjust to higher costs. There is doubt that wineries will be willing to accept the associated increases in grape pricing. Many in this group are requesting OWA support a reasonable seasonal accommodation to help ease that financial burden.

As a voice for wineries and growers, OWA needs to be responsive to both segments of our wine community.

The OWA Board strongly believes Oregon wage and hour policy for agricultural workers should be established in law by the Legislature and not through an administrative rulemaking. A legislative solution offers a better chance to smooth the transition for growers.



To encourage a legislative solution, the OWA Board would support a legislative framework for overtime pay for agricultural workers that includes the following policy elements:

- Agricultural workers should be paid overtime after 40 hours of work per week;
- Overtime pay after 40 hours of work per week should be phased in over a period of five years;
- A refundable tax credit or other financial tool that allows growers to transition to paying overtime;
- A seasonal accommodation should be considered to allow for exceeding the 40- hour threshold for a modest number of weeks during a year. We would encourage compromise on this accommodation if one could be reached to help mitigate labor cost increases for our growers.

We ask your committee and legislative leaders to consider these views while crafting an agriculture overtime policy that can pass theLlegislature with bipartisan support this session. Thank you for your consideration of this testimony.

About the Oregon Winegrowers Association (OWA):

OWA has represented Oregon wineries and grape growers of all sizes and from all parts of the state for more than 40 years. Harnessing the power of state-wide consensus, the OWA stands as a vital advocate for the health, growth and economic sustainability of Oregon's wine grape growing and wine production community. The OWA is the premier statewide organization speaking on behalf of Oregon's vineyards and wineries to decision-makers in Salem to ensure the community's continued success.