



TESTIMONY IN OPPOSITION TO HOUSE BILL 4002  
SUBMITTED BY TREVOR BELTZ, MANAGER, GOVERNMENT RELATIONS  
ON BEHALF OF TILLAMOOK COUNTY CREAMERY ASSOCIATION  
HOUSE COMMITTEE ON BUSINESS AND LABOR  
FEBRUARY 8, 2022

Chair Holvey and Members of the Committee,

Thank you for the opportunity to testify on House Bill 4002. Tillamook County Creamery Association (TCCA) is a 113-year-old farmer-owned, farmer-led cooperative, which is known for the quality of the dairy products we produce and for our commitment to working collaboratively with a diverse set of stakeholders to solve complex problems. Thriving farms are essential to our future – not only for our cooperative, but for our communities and our food system. We're committed to helping farmers be more efficient, economically sound and viable for generations, which is why we must oppose House Bill 4002 in its current form.

There are nearly 70 dairy farm owners in our cooperative, each with unique operating structures and herd size. What is not unique, however, is the critical role their farm workers play to ensure their farms continue producing high quality milk. Dairy farming requires skilled and intensive labor. Cows are moved from barns to the milking parlor and milked two to three times daily. Meanwhile, bedding is either changed or cleaned, alleys are scraped free of manure and urine, and fresh feed is mixed and laid out. Upon leaving the parlor, some cows may be separated out for health checks or breeding.

Dairy farming does not conveniently occur between the hours of 8:00am and 5:00pm, and cows do not care whether the right number of workers are present. Cows require attention and care seven days a week, 365 days a year. Dairying requires an earlier start and a later end to each workday, which has led many smaller farms to implement split shifts to cover morning and afternoon milking and provide flexibility to employees to accomplish their other daily work on their own time or as emergencies demand. Larger farms can schedule two to three shifts per day and focus on certain tasks per shift. Regardless of how a dairy farmer breaks out shift



work, many have found paying employees on a salary basis best balances farm duties and personal lives.

As with seemingly every industry, COVID-19 has exacerbated labor shortages on farms and particularly in rural areas. In its most recent job vacancy survey, the Oregon Employment Department found that job vacancies in Oregon had increased 131% since summer of 2020, and nearly 80% of employers reported trouble hiring people. Worker shortages in rural areas like Tillamook County have rightfully pushed employers to create more attractive jobs. The majority of our co-op members pay their farm workers more than \$3,000 per month in net take-home pay and provide on-farm single-family housing, as well as retirement and/or healthcare. TCCA supports treating and paying workers fairly and urges the legislature to create a livestock-specific solution to recognize that.

Implementing overtime at 40 hours would be very difficult for livestock producers, as they not only work on different schedules, but have narrow fragile margins as well. As you have heard in other testimonies, agricultural producers are price takers on a global marketplace for the goods they produce. However, dairy and livestock owners are particularly beholden to cost pressures, as they must also account for the market price of feed, which has increased at least 15% in the past two years. With cost pressures on inputs and outputs, dairy producers can only improve on their efficiencies. Market forces are driving the cost of labor up, and legislative forces will drive that even higher. With the cost of automation going down, there will be a point where producers will be forced to make capital investments in new technology to manage more cows per employee or go out of business. Either way it will create unintended consequences for workers.

In closing, TCCA implores the legislature to seek policy solutions through the legislative process that are tailored to accommodate the unique needs of dairy operations and provide special consideration for businesses working in animal care. TCCA members strive to offer livable and competitive wages to their employees and take a pragmatic approach to supporting Oregon's farmworkers. Like others in the Oregon dairy and livestock industries, we ask members of this committee to acknowledge that offering a competitive salary and benefit package to agricultural workers can be a reasonable alternative method to achieve the objectives of this bill.