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Democrats Vote Down Direct Payments to Farm Workers, Vote Instead to Kill Family Farms

SALEM, ORE., 25 FEB. 2022 — On Thursday evening, Democrats on the Joint Committee on Farm Worker Overtime voted to move HB 4002, the controversial proposal to require employers to pay overtime to agricultural workers, on a party-line vote that will single Oregon out as only a handful of states to impose high labor costs on cash-strapped family farms.

"We were deeply disappointed to see Democrats in the joint committee ignore the concerns of gowers and move this version of the bill. HB 4002 has the potential to devastate and cause the closure of many family farms," said Dave Dillon, Executive Vice President of the Oregon Farm Bureau. "By voting to adopt a completely unworkable 40-hour threshold, legislators have guaranteed that farm workers will ultimately see reduced wages and reduced hours."

The committee failed to consider a -10 amendment proposed by Rep. Shelly Boshart Davis (R-Albany) that would have created a \$50M worker relief fund to provide direct overtime payments to farm workers, while creating thresholds for overtime that both guarantee workers overtime and account for the unique seasonal needs of Oregon agriculture.

Instead, the committee adopted the -A12 amendment, which will require farms to pay overtime at 40 hours by 2027 with a vanishing tax credit to make up for some of those costs. Tax credits are subject to the whim of legislators and the availability of tax dollars.

Passage of HB 4002 means that Oregon farms will have to compete against states without any overtime requirements for farm workers. As evidenced in California, the only state that has a 40-hour threshold currently, these requirements often mean worker hours and total compensation are decreased due to farmers being forced to cut worker hours at the arbitrary cap of 40.

"Tonight's decision highlighted that Democrats were unwilling to engage in meaningful conversations about how this legislation will impact family farms and, ultimately, the workers they employ," said Kyle Fessler, a greenhouse grower and past president of the Oregon Association of Nurseries. "Farmers have been clear throughout this process that we were not asking for a tax credit since it will be unworkable for many operations, yet Democrats continued to push forward an unworkable tax credit."

The amended bill will move to the House and Senate floors next, where it is expected to pass on a party-line vote due to Democrat supermajorities.

Contact Anne Marie Moss (AnneMarie@oregonfb.org) and Curt Kipp (ckipp@oan.org) for more information.

Oregon's Coalition of Agricultural Organizations represents a diverse array of farming operations and agricultural commodities and was formed in response to the legislature's proposal to require farmers to pay workers 1.5 times regular pay for all hours worked over 40.

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