



*From the desk of Representative Bentz*

### **Oregon Farmers and Food Processors ask you to Oppose SB 1532-A**

On behalf of farmers, food processors and everyone in the food supply chain, we ask you to oppose SB 1532-A. Agriculture is Oregon's second-largest traded sector industry, and food producers export 80% of the products produced in the state. SB 1532-A disproportionately impacts trade exposed industries, such as agriculture, that compete with other states and countries for their market share. Increasing Oregon's minimum wage by the amount and schedules in SB 1532-A would adversely affect the economy, hurt Oregon family food businesses and could raise the cost of food.

Increasing Oregon's minimum wage would make Oregon agricultural products more expensive to produce and less attractive than products from around the globe. This would negatively impact Oregon's family farmers who are unable to set the price of products sold in the commodity market. Making and selling food is a highly competitive business, and SB 1532-A would make it more difficult for small and mid-size Oregon companies to compete with larger ones that are better prepared to handle increased labor costs. This bill would inequitably harm Oregon's family farmers and home-grown food businesses.

SB 1532-A would create compression in the workforce wage structure and add additional costs to family businesses. The pressure to increase wages for our skilled workforce will intensify once new and entry-level workers receive a wage increase. This will require wage increases up the chain in order to maintain a reasonable differential in wages. Any increase will also increase employer payroll and unemployment tax payments since these rates would now be applied to higher wages. These added costs, coupled with the wage increase itself and the non-wage benefits provided by agricultural employers (including housing), will be particularly harmful to Oregon's farmers and food processors.

Because Oregon food businesses compete with those from other states that are not required to pay these higher wages, our producers would be put at a severe competitive disadvantage. Food producers have few options when it comes to adapting to this increase. Some may look to transfer all production to their facilities located outside of Oregon. Unfortunately, farms are not mobile, and many have been with the same family for generations. Family farms will likely mechanize if then can, and those that cannot will move to less labor intensive plantings. Unfortunately, SB 1532-A will force out cornerstones of agriculture, such as berries and tree fruit orchards.

Now is not the time to raise the minimum wage. SB 1532-A puts Oregon's financial future in uncharted waters, imposing this risky experiment on a state will harm family businesses and employees. Unfortunately, no one will be hurt more by SB 1532-A than Oregon's family farmers and food processors who compete globally. Help us stay a competitive and vibrant sector of Oregon's economy.

**Please vote "NO" on SB 1532-A**