

Oregon agriculture is sounding the alarm

Oregon agriculture isn't asking for special treatment. It's asking for a fair chance to compete.

From family nurseries and greenhouse operations to seed growers and generational farms, Oregon's agricultural economy has long been one of the state's defining success stories. The nursery and greenhouse industry alone returns more than \$1 billion annually back into Oregon's economy and remains the state's largest agricultural commodity.

But today, that success is under threat.

Oregon is at a crossroads, and unless lawmakers make serious changes to the state's business climate, we risk losing the very industries that have sustained rural communities for generations. The warning signs are already here: declining competitiveness, rising labor costs, burdensome regulations, workforce shortages, and tax policies that discourage investment rather than encourage it.

The question before policymakers is simple: Does Oregon want agriculture to remain a cornerstone of the state's economy, or are we willing to watch production, investment, and jobs migrate elsewhere?

One of the most immediate concerns facing agriculture is the implementation of Oregon's agricultural overtime law.

Agriculture is not a traditional 9-to-5 industry. Farming and nursery production are driven by weather, shipping windows, seasonality, and biological realities that cannot simply be paused because a clock hits 40 hours. Peak seasons are unavoidable.

Neighboring and competing states understand this reality. Colorado recently adjusted its agricultural overtime rules to recognize seasonal production demands, allowing a 56-hour workweek during peak periods. California, meanwhile, is already seeing the unintended consequences of its overtime mandates, including reduced employee hours and declining productivity.

Oregon growers compete nationally against states operating under the federal minimum wage and significantly lower labor burdens. Layering additional costs onto Oregon agriculture without account-

ing for interstate competition places local farms at a severe disadvantage.

A reasonable compromise exists.

Oregon agricultural groups have proposed freezing overtime thresholds at 48 hours while allowing a 12-week, 56-hour peak season flexibility. This approach would stabilize worker hours, preserve earning opportunities for employees, and help farms remain competitive.

Oregon must also take an honest look at the total cost of employment. Minimum wage increases, paid family leave mandates, payroll taxes, regulatory compliance, housing requirements, and transportation costs all combine to create one of the highest agricultural labor cost structures in the country. Policymakers cannot continue evaluating these policies in isolation. The cumulative impact matters.

Oregon farms are small businesses and family operations working on thin margins in a highly competitive national marketplace. Policies that may appear manageable on paper can become devastating when stacked together year after year. The legislature acted rashly by enacting disconnection from portions of the federal tax code has complicated depreciation schedules and increased costs for many small businesses. Likewise, eliminating the commercial activities tax (CAT) on green goods would help reduce supply chain costs and improve competitiveness for Oregon-grown products.

Oregon also cannot afford to neglect workforce development.

The future of agriculture depends on building strong connections between education and industry. Oregon State University and the state's community colleges play a critical role in research, workforce training, and innovation. Career and technical education programs at the high school level are equally important in introducing young people to agricultural careers and skilled trades.

If Oregon is serious about rebuilding its workforce pipeline, the state must make sustained investments in CTE, higher education partnerships, and industry-driven training programs.

Climate policy is another area where



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Oregon risks undermining its own economic strengths.

Oregon's nursery and greenhouse industry produces green goods that sequester carbon, improve air quality, reduce urban heat, and contribute directly to environmental resilience. Emerging science is beginning to quantify these benefits, but state policy has largely ignored them.

Similarly, Oregon's Recycling Modernization Act and Extended Producer Responsibility framework have imposed substantial new costs on regulated industries without sufficient alignment with neighboring states or consideration for practical implementation. Environmental progress is important, but policies must also be transparent, constitutional, economically realistic, and coordinated with broader national systems.

What agriculture is asking for is balance.

Policies must reflect economic reality. Regulations must recognize interstate competition. And lawmakers must understand that when farms disappear, they rarely come back.

The Governor's Prosperity Council and state leaders have an opportunity to reset Oregon's trajectory. By modernizing labor policies, reforming tax structures, investing in workforce development, supporting practical climate solutions, and restoring business competitiveness, Oregon can once again become a state where agriculture thrives rather than struggles to survive. Family farms built much of Oregon's economy and identity. Whether they remain part of our future now depends on the choices policymakers make today. ©