

## LD 1022 An Act To Make Agricultural Workers and Other Workers Employees under the Wage and Hour Laws

My name is Peter Karonis. My wife and I own Fairwinds Farm LLC in Topsham, Maine. We strongly encourage the Legislature to vote against the passage of LD 1022.

We are a small, family- owned farm that raises small fruits and vegetables. We employ three year-round and 12-15 seasonal hourly employees. These are part-time employees, whose hours increase to full-time during the peak season.

Our hourly employees currently are paid an average of \$17.50/hour...the lowest rate is \$14.50/hour. During the peak of our season, some employees are asked to work more than 40 hours per week. These extra hours are optional. The additional hours help to offset the weeks when the employees work fewer than 40 hours due to the weather, farm requirements, or time of year.

In addition to their hourly wage, our employees are able to take, (at no charge), produce grown on the farm, for their family's use (including produce to preserve and freeze). We also give all year-round employees five paid days off per year. All employees receive a mid-summer monetary bonus, and we give an additional end-of year monetary bonus to all employees who fulfilled their commitment to us for the season. We also pay our employees an additional 4 hours of pay for working on some holidays.

Our payroll cost is 65% of all of the expenses of running our farm. We could reduce that number by paying just minimum wage...but, we value our employees...and choose to pay them more than minimum.

If this bill passes, we would be forced to reduce the number of hours that our employees work. We could not afford to pay the overtime rate. Our current employees embrace the opportunity to work more hours during peak season...and work fewer hours in the slow season. If we could not offer the additional hours to them...we can think of several employees that we would lose right now. They chose to work with us because they enjoy the work, the flexibility and the atmosphere of our farm... We value them and do our best to treat them well. It is a situation that works well for all of us. If we are forced to pay time and a half for overtime hours...we will have to reduce hours, and will most likely lose good employees.

My wife and I take a combined draw of less than \$40k from the farm each year...which amounts to \$20K each. We pay our household expenses with this. We do not compute our hourly rate...as it is well below minimum wage. Our employees are paid much more than we pay ourselves.

We feel fortunate that we can provide our employees with a decent wage and a decent work environment. We hope to be able to continue to do this well into the future...however, being required to pay overtime rates will severely hamper our ability to keep good employees, as we WILL NOT be able to afford to give them additional hours.