Update on Efforts Addressing the New Ag Overtime Law on Sheepherder Wages September 11, 2019 Dan Macon, President

As we approach the September recess in the California Legislature, I wanted to provide members of the California Wool Growers Association with an update on our efforts to address the impacts of California's new agricultural overtime law.

As you know, CWGA – with the leadership of our ad hoc Labor Committee – has pushed for a legislative solution to this problem. With the help of our lobbyist, George Soares, we have succeeded in raising the profile of this issue with state legislators and Governor Newsome's administration. Through our efforts, the California Department of Industrial Relations (DIR) has reinterpreted AB 1066 relative to sheepherders – what was originally slated to be a 161% increase in sheepherder wages is now interpreted to be a 51% increase (for employers of 25 or fewer people) in 2022. However, despite this progress, we have not succeeded in finding a legislative vehicle for a viable fix. While there are a variety of reasons for this, the bottom line is that we are concluding the first phase of our effort to address this problem. We're now working on phase 2.

This new phase will focus on a variety of options that will address labor affordability and economic viability. Over the next week to 10 days, our ad hoc Labor Committee and CWGA officer team will be fleshing out these new strategies and scheduling meetings with our friends in the California State Senate and Assembly.

While we're not where we need to be in resolving this issue, I want to be sure to thank our friends in the Legislature, especially Senator Anna Caballero and Assembly Member Devin Mathis. Through their bipartisan efforts, the profile of this issue – and our profile as an organization and industry – has been raised to the highest levels of California government. We will be working with Ms. Caballero and Mr. Mathis in the coming weeks to advance our new strategies.

Finally, I want to acknowledge the tireless effort and outstanding leadership provided by our ad hoc Labor Committee. Ben and Steve Elgorriaga, Frankie Iturriria, Richard Hamilton, Florence Cubiburu, and especially Treasurer Andree Soares, and co-chairs, Ryan Indart and Dominique Minaberrigarai, have spent countless hours representing our collective interests. George Soares has been outstanding – helping us make connections with key members of the Legislature and Newsom administration. And Erica Sanko has continued to keep us on track and focused. Thank you all.

Obviously, we still have a great deal of work to do. You, our CWGA members, and many of our friends and allies, have stepped up with contributions to our California Guard Dog Fund – thank you. We are in this for the long haul. Please feel free to contact me if you have questions, concerns, or ideas!