



## Legislation Text

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**File #:** 21-0759, **Version:** 1

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Supervisor Turnboo recommending the Board adopt and authorize the Chair to sign Resolution **057-2021** urging California Governor Newsom to use his administrative authority to adopt the federal weekly hours work standard for sheep and goat herders in California.

**FUNDING:** N/A

### **DISCUSSION / BACKGROUND**

California Assembly Bill 1066, Phase-In Overtime for Agricultural Workers Act, which was passed by the Legislature in 2016, created a timetable for agricultural workers to receive overtime pay so that they will gradually receive overtime pay on the same basis as workers in most other industries.

The bill was significantly broad in its application, so much so that it did not consider the unique administrative structure currently used by California to compute monthly compensation for sheep and goat herders. The California state labor agency uses 168 hours (24/7) as the work week. The work of range herders is uniquely nomadic and actual hours worked are not easily tracked. Congress has recognized this aspect and exempted range herders from both the overtime and minimum wage requirements of the Fair Labor Standards Act (FLSA). The Department of Labor further acknowledged this exemption in a 2015 rulemaking process and set the estimated hours worked per week at 48 hours, even though range herders are available on a continuous basis.

Prior to the adoption of AB 1066, California herders were already the highest paid in the nation. The impact of this state law will result in compensation exceeding neighboring sheep/goat producing states by an estimated 40-80%. California currently ranks first in wool production and second in sheep inventory with roughly 550,000 head. The bill has resulted in an average increase of 6.5% to the general agricultural sector. In contrast, as a result of the wage order, this small industry has seen an increase of 52%. There are over 3,500 family operations raising sheep/goats in California who employ about 375 herders. Moreover, consumer demand for locally raised lamb is expanding. Unless the unintended consequences of AB 1066 are corrected, family sheep and goat operations could discontinue, priced increase, and consumers may have to depend on imported products. The California Wool Growers Association have garnered significant support in the legislature from both sides of the aisle supporting a proposed administrative solution.

At its May 12, 2021, meeting, the El Dorado Agricultural Commission made the recommendation that the Board of Supervisors join in with other California Counties to support the small industry of sheep and goat ranchers who have been working for two years toward an effort to mitigate the impact of the Ag Overtime bill (AB 1066) on herder wages.

The proposed resolution does the following:

1. Maintains the complete integrity of the AB 1066 legislation.
2. Calculates sheep and goat herder wages based on the Federal definition as determined in 2015 and supported by then Judge, Merrick Garland, as a 48 hour work week.
3. Does require the payment of overtime when it applies at greater than 45 hours at full

implementation.

### **ALTERNATIVES**

The Board could choose to not approve the Resolution.

### **PRIOR BOARD ACTION**

N/A

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Other local county support from Boards of Supervisors in the form of a Resolution include: Fresno County 3/23, Madera County passed their Resolution on 4/20, Merced, Kings, and Tulare Counties adopted the Resolution on 4/27. Kern County approved a letter of support on 5/11.

### **FINANCIAL IMPACT**

N/A

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Clerk of the Board will obtain the Chair's signature on two (2) original Resolutions.
- 2) Clerk of the Board will forward one (1) original Resolution to Honorable Senator Atkins Attn: Deanna Spehn C/O Andr e Soares, Vice President, California Wool Growers Association, 1232 California Ave. Los Banos CA. 93635 who will forward the document to Governor Gavin Newsom.

### **STRATEGIC PLAN COMPONENT**

Economic Development

### **CONTACT**

George Turnboo X5651 Charlene Carveth x5522