



February 8, 2021

Dear Chairman Kelley and Members of the Senate Finance Committee:

I am writing today in **strong opposition to SB 486**, Employment Standards During an Emergency (Maryland Essential Worker Protection Act).

Mountaire Farms is a family-owned and operated poultry processing company, employing more than 5,000 people across Delmarva, resulting in 35,000 indirect jobs related to our industry. Founded in 1914, Mountaire sells chicken in more than 48 states around the country and almost 80 countries around the globe. We are a proud essential business that rallied throughout 2020 to ensure that America had food to eat.

The COVID-19 crisis has been one of the most challenging issues our industry has faced since we began more than 100 years ago. Protecting our workforce from this unseen enemy became our sole focus beginning last March when we gathered the best and the brightest minds together to learn what could be done to prevent the spread of this highly contagious virus.

Our team worked diligently to erect physical barriers between workers on the production lines, and in breakrooms and cafeterias. We've invested hundreds of thousands of dollars into hospital grade air filtration systems to remove 99.9 percent of microorganisms from the air we breathe. We've invested in thermal temperature scanners to ensure our employees were efficiently screened as they enter the building every day, and we've purchased PPE from around the globe to ensure our stockpiles of supplies that we distribute for free to our employees would last through this pandemic.

All the costs associated with the pandemic have been born by the company, all while the market for chicken took some unexpected and unprecedented turns throughout the last year.

We also stepped up to ensure that our community had access to affordable protein during such a tumultuous time. Over the past 11 months we've donated almost a million pounds of chicken to food banks, community groups, churches and others to make sure people who needed it the most were fed. That's on top of our normal giving to more than 40 food pantries every month here on Delmarva.

Our objections to the bill include onerous financial mandates on businesses that are suffering due to the pandemic. The requirements and associated costs could be crippling to so many small businesses that are barely surviving now. The broad scope of job titles affected include farms and farm workers, including our more than 250 poultry growers in Maryland. While our growers fared better than most, many growers in our industry suffered this year due to longer layouts between flocks or entire flocks that had to be culled because production lines were down.

Our company provides generous health benefits to our employees, including free on-site health and wellness centers for those who participate in our health insurance plans. Those facilities offer free



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"We measure quality by how well we service our internal and external customers"

primary care services including lab work and some prescription drugs for the employee, and their family members. Under this legislation, we'd be responsible for the health care costs of those who choose not to use our insurance, even though it's been offered to them.

During the pandemic, our company provided a pay increase to our employees, because we knew it was the right thing to do. Mandating a \$3/hour across the board pay increase, however, with multiple poultry plants in Delaware and Maryland, could result in major inequities and a major shift in labor that could severely and negatively impact the industry. We would also forecast a reduction in jobs due to this bill, as expensive automation projects would become much cheaper by comparison.

And finally, while many will argue that these requirements are only in place during an "emergency", we must be careful to recognize that almost any event can be misconstrued as an emergency depending on who is making the determination. The fact that the hazard pay is made retroactive means most companies will have to lay off workers or delay hiring new workers in order to pay such a substantial back pay issue.

We invite the Chairman and the Committee to learn more about what our industry has done to protect our workforce during COVID 19. We are proud of our record, but even more proud of our employees, who are helping feed people around the globe. To further punish essential businesses under the guise of helping essential workers ends up hurting both.

Sincerely,



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President, Mountaire Farms