



**Testimony submitted to the Joint Committee on Carbon Reduction
HB 2020: Establishing Carbon Policy Office within Oregon DAS and directs Director of Carbon Policy
to adopt Oregon Climate Action Program by rule.**

By Leigh Geschwill

Owner F & B Farms and Nursery, Past President Oregon Association of Nurseries, Current Chair of the Oregon Association of Nurseries Government Relations Committee
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Chairs Dembrow and Power, Vice-Chairs Bentz and Brock Smith, members of the committee, I am Leigh Geschwill, one of 4 owners of F & B Farms and Nursery. I appreciate the opportunity to weigh in on this important discussion.

Background:

Our family owns a third-generation farm where we produce Hops, Grass and Specialty Seed Crops, Row Crops, Hazelnuts, Pumpkins and Wheat. The hops and seed crops are shipped all over the world. The Row Crops, Hazelnuts are shipped nationally. 22 years ago we expanded the operation to include greenhouse nursery production for independent garden centers in the Pacific Northwest. We are located in Woodburn.

Points of information for your consideration:

Fixed nature of Agriculture and Horticulture:

Unlike other business models, Agriculture and Horticulture do not have a choice of which state they operate in, they are fixed to the land they are on. The Willamette Valley, in particular, offers a unique and rare growing climate that allows Oregon to be one of the nations best specialty crop producers.

Farming and nurseries have considerable capital investments into buildings, production and processing facilities, and irrigation systems that further tie us to the land we operate on.

Many family farms are multigenerational – representing decades of work and sacrifice to have grown into the businesses they are today.

In short, we can't, nor would we want to choose another state to live and work in. We must manage to the best of our abilities within the guidelines and policies Oregon provides us with.

Economic Impact to the Greenhouse Industry:

The greenhouse operations in Oregon are primarily year-round operations, employing skilled labor in positions that pay above the minimum wage. Our industry has many local allied suppliers that are also employing full time skilled and college graduate workers – including soil, biological and traditional chemical suppliers, fertilizer suppliers, greenhouse manufacturers, insectaries, nursery container manufacturers and suppliers, diesel mechanics and truck dealers, construction workers to name a few. These industries rely on our businesses to survive. Policies that damage the greenhouse industry damage both rural and urban communities.

Furthermore, post the 2008 economic crisis there has been a reduction in the overall number of greenhouse producers for items like bedding plants, organic vegetable starts and perennials. Particularly, Washington has seen a number of these operations shutter their doors. Oregon growers now supply the vast majority of these



items, particularly for the independent, locally owned operations in the Northwest. Hurting this industry will hurt retailers as well and increase their carbon footprint as they seek material from further away.

Impact to the Cannabis, Hop and Hemp Industries

The cannabis, hemp and hop industries are also impacted by policies related to greenhouses. Most starts (baby plants) for these industries are being produced in greenhouses. The greenhouse environment produces a higher quality, more uniform plant to put into field production.

The hop industry requires its product to be kiln dried before processing. Most of these dryers are run on natural gas. As the hemp industry continues to grow, producers are contracting with these hop facilities for the drying of hemp. Natural gas is a clean burning fuel and is safe for food-grade production of both crops.

Now that hemp is federally legal under the Farm Bill, Oregon's Hemp industry has the potential for growth. However, policies that drive costs up will make these producers uncompetitive with burgeoning markets elsewhere in the country.

In Conclusion,

I would appreciate your careful consideration of policies that impact natural gas pricing, as well as fuel costs. Just last week we received a letter from NW Natural stating our gas price would increase by 40% upon the passage of HB2020. To put that into economic dollars, our operation spends approximately \$150,000 per year on natural gas. An increase of 40% is \$60,000 – the equivalent of one full-time year-round staff person. For an operation with less than 50 employees that is a significant economic impact to consider.

I would encourage you to look at mitigating impacts to our vital natural resource industries in Oregon. Thank You!