

VIA EMAIL ONLY

March 1, 2019

Joint Committee on Carbon Reduction
jccr.exhibits@oregonlegislature.gov

RE: HB 2020 Opposition Letter

Dear Members of the Joint Committee on Carbon Reduction:

My father is a farmer, and his father was one before him. Though I am no longer directly involved in the day to day operations of the family business, I have failed to stray too far from my roots and return to help whenever needed. Farming by itself is not easy, it demands the most of you physically, emotionally, and financially. The last thing farmers in this state need is the added burdens put upon them from their elected officials.

Direct impacts include the fact that agricultural fuels are not exempt under the bill. The bill is expected to raise fuel costs an average of .17 cents a gallon. Additionally, natural gas rates are expected to rise for small commercial enterprises 13% in 2021, and up to 44% in total under the bill. Natural gas is used by farmers for greenhouse heaters, hop dryers, mint stills, among other farm operations. These are only a few of the direct impacts of the bill, but they are far from the only likely cost increases farmers will face.

Farmers rely on transportation companies and food processors, to move and finish their products. It is expected that these companies will pass the increased costs they face onto farmers. Farmers also rely on input products for planting, growing, and maintaining a healthy crop. Costs to produce fertilize, herbicides, and treated seeds will all go up under this bill.

Already farmers operate on razor thin margins. What is concerning is that some people believe that farmers are actually well off in Oregon. This may stem from the farm subsidies that some Midwest growers receive. However, most Oregon farmers do not receive federal subsidies. Sometimes people cite the rising cost of food as proof that farmers are sufficiently compensated. Unfortunately, farmers have seen little in the way of additional income from rising food costs.

Based on 2018 number, Farmers receive only .12 cents for a pound of bread that retails at \$3.49. A farmer will only receive .05 cents for the grain in a box of cereal, and only \$1.32 for a gallon of milk that retails for \$4.49. when looking at these numbers you might say “sure, but I bet their share of the price is larger for products that are not as processed.” However, this is not true as a

farmer will only receive .21 cents for a head of lettuce that retails for \$2.49, and .31 cents for a pound of fresh apples that retail for \$2.79. Further, the price a farmer receives for a bushel of wheat has stayed relatively the same since the 1970's despite costs and inflation both rising.

Therefore, farmers are very concerned about the increased costs they face under HB 2020.

There also seems to be a misconception amongst the public that farmers overwater, over work, and over apply pesticides and fertilizers to their fields and crops. Though these myths go against the farmers incentives to reduce input costs. Farmers are partly to blame for this misconception. For too long they have tried to isolate themselves and go about their business outside of the public eye, all the while the public travels through agricultural lands and observe farm operations and make up their own narrative and push legislation based on their interpretation of reality. However, the narrative they have come up with could not be farther from the truth.

Farmers were the original environmentalists. Farmers are always looking for ways to limit inputs to crops and conserve their property. Land is an investment and is the lifeblood of a farm. Failure to treat the land correctly would result in the end of the farm. Drive around rural Oregon and you will see century farm signs. These are a point of pride among farm operators as the sign shows they have been good stewards of the land allowing them to have productive operations for an entire century. Of course, there have been mistakes made along the way, but with continued research farmers are constantly evolving and learning better techniques to take care of their land. In fact, a farmer must take 5 hours of continuing education credits a year to maintain his pesticide applicators permit.

Another myth that has become dangerous for farm operators is that cattle is one of the leading causes of greenhouse gas emissions. However, cattle only accounts for 3.3% of total Greenhouse gas emissions. Others believe it takes up to 24,000 gallons of water to produce a pound of boneless beef, when in reality it takes only 308 gallons, and the water used is often recycled.

Further, farming actually improves greenhouse gases. 150 acres of pastureland removes 500 tons of carbon annually through carbon sequestration, while the cattle and farm operation only release 112 carbon back, thereby removing up to 388 tons of carbon from the atmosphere annually.

Currently, farming in Oregon is dying a death of a thousand cuts. Each new policy adds a little extra cost, and these costs quickly add up. Higher minimum wages and paid sick leave policies have significantly increased the cost of labor and has caused many farmers to look to capital improvements or a change in crops for ways to offset these increased costs. Protections for wolves in the state have hurt ranchers who loose livestock to these animals. Additionally, the Food Safety Modernization Act created so much regulation and red tape and increased cost for farmers that they have a hard time bringing their products to market. Due to increased costs many vegetable crops can no longer be grown in Oregon for a sufficient price to keep a farm viable. The increased cost of farming has resulted in many farms struggling to survive. In fact, in 2017 there were 34,200 farms in the state of Oregon. A number that had deceased four percent from five year prior.

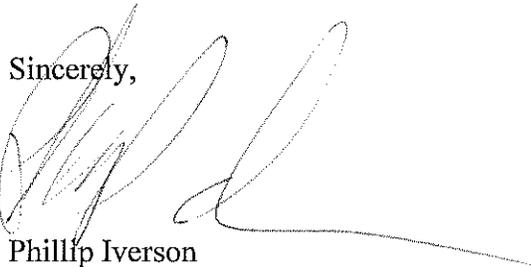
Additionally, farmers are already the most vulnerable population when it comes to global warming. The costs of droughts, floods, and extreme weather decimate crops. When the fires in Sherman and Wasco county broke out last year, we watched videos of farmers drop everything they were doing to help first responders, their neighbors, and complete strangers all while watching their livelihood literally go up in smoke as wheat crops burned. Farmers have always carried with them big hearts and a desire to help others whenever they could, and they are willing to do their part in reducing greenhouse gases where they can. However, they simply cannot afford further costs.

If legislators are serious about reducing farming greenhouse gas emissions, there are many other options that would be more economical to reach this goal. Currently, farmers in the Willamette valley must ship their hay and straw bales to the port of Tacoma for export. This is a result of the container port shutdown in Portland. The added time on the road to deliver their products to market has only served to increase costs on farmers while adding carbon to the atmosphere. To seriously look at reducing carbon emissions legislators should look at ways to reduce barriers to exporting agricultural goods such as reopening the Port of Portland.

Politicians have continually stated how they want to preserve the family farm and the dangers of industrial agriculture while simultaneously passing bills that have negative effects on small agricultural operations and leaving them the only option of growing bigger or selling out as the avenues to survive. Its time these same politicians listen to farmers to understand their struggles and how they can help them survive while also helping the environment.

Thank you for your time and consideration.

Sincerely,



Phillip Iverson