



President, Jim Buckovic  
12000 Airlie Rd. Monmouth, OR 97361

---

March 8<sup>th</sup>, 2019

Chairs Power & Dembrow, and members of the Joint Committee on Carbon Reduction –

Good afternoon, my name is Jim Buckovic. I am writing on behalf of the Polk County Farm Bureau to convey our opposition to HB2020, due to the significant negative impacts it will have to our over 200 voting and supporting county Farm Bureau member families and businesses (and also many more members in the associate category).

The majority of crops produced in our county, including grass seed, hazelnuts, wine grapes, grains, Christmas trees, fruits and livestock/dairy products, are either contracted or go to processing companies, meaning our farmers are largely price takers. With often slim profit margins, there is great sensitivity to price increases for inputs like fertilizer and fuel. Our farmers are generally not marketing directly to the public, and therefore have little ability to raise prices to offset increases in those input costs. Passing HB2020 as written would cause the exact circumstances described above, substantially increasing costs to our county's farmers, while offering no relief or credit for the carbon benefits they provide back into the ecosystem.

Farming is an energy intensive industry - it takes a lot of fuel to produce food and fiber. Increasing the cost of fuels impacts a farmer's ability to raise crops, because every process we do – tilling soil, planting seeds, fertilizing, applying crop protection products, swathing, harvesting – even taking the ATV out to check for pest and disease problems – requires fuel! Even the farmers who've adopted methods like no or minimum tillage planting cannot avoid all of the other fuel demands. And prices of fertilizer are often directly linked to the fuel markets, so there could be additional carryover impacts that remain to be seen. These are all on farm costs – but also impacting our farmers is the costs of processing the raw or field run crops, and transporting those goods to marketplace. Seeing that Oregon as a state one of the largest exporters of agricultural commodities, our farmers will be hit disproportionately hard by these increased processing & transportation costs after our crops leave the farm.

HB 2020 could end up costing our member farmers thousands of dollars in new taxes each year. At a minimum, we implore you to consider applicable exemptions to agriculture, and to recognize and provide credit for the carbon sequestration that our industry provides to offset negative impacts from other sectors and consumers. Please protect family farmers from significant cost increases under HB 2020 as currently drafted.

Thank you for your consideration.

Jim Buckovic  
Polk County Farm Bureau President  
[jbuckovic@hotmail.com](mailto:jbuckovic@hotmail.com)