Cal Farms INC

Grower, Packer, Shipper P.O. Box 796 Oregon City, OR 97045 (503) 631-3810

April 26, 2019

Governor Kate Brown President Peter Courtney Senator Mark Hass Senator Arnie Roblan

Speaker Tina Kotek Representative Nancy Nathanson Representative Barbara Smith

Oregon State Capitol Salem OR, 97301

## **RE:** House Bill 3427 – Agricultural Organizations

We are very concerned regarding the impact of HB 3427 on our family owned farm, and for companies engaged in agricultural business. Our fourth-generation family farm supplies fresh cut vegetables to you, your family, and the people of the beautiful Northwest region. We are proud to do the job we do and to provide good-for-you food, but farmers are a dying breed. Farms are running on slim margins (sometimes not making a profit) and dropping like flies due to tax legislation like HB 3427 that will lead to the future failure of more Ag businesses.

Our inputs and overhead costs are very high and buyers want low prices on the output end, we're stuck in the middle. If our suppliers (seed, fertilizer, equipment, and diesel) are taxed with this bill, we will be impacted in multitudes with the costs being passed on to us. Our high costs are barely passed on to customers because our customers will choose to buy product from Mexico, California corporate farms, or more distant countries where water and pesticide use are unknown.

Help keep your produce local by keeping Oregon farmers competitive in a global market place. Please keep our farm sustainable by exempting the Agriculture industry, just as you have exempted agricultural cooperatives in HB 3427. We urge you to review this legislation and make the appropriate changes to the final draft of HB 3427. Thank you for your consideration and supporting your local farmer.

Sincerely,

Marissa Hokenson Cal Farms, Inc.