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Testimony on HB 3244

Oregon Farm Bureau Federation
House Committee on Agriculture, Land Use, Natural Resources, & Water
March 14, 2023

Chair Helm, Vice Chair Owens and Members of the Committee:

The Oregon Farm Bureau Federation appreciates the opportunity to submit testimony on behalf of our nearly 6,600 family farm and ranch members across the state of Oregon. We appreciate the opportunity to testify on HB 3244, which creates a much-needed task force on the economic competitiveness of Oregon Agriculture.

Farmers and ranchers in Oregon produce over 240 agriculture products that feed Oregonians and are renowned across the country — and the globe — for their quality. It may be surprising to some that 97% of Oregon’s farms and ranches are family owned and operated. The benefits Oregonians enjoy from Oregon agriculture are largely provided by family-scale operations. But there are enormous pressures on farm and ranch families. They are grappling with supply chain issues, inflation, drought, labor costs and increased regulations. Every farmer knows that weather and markets can be unpredictable and unforgiving. However, these days, Oregon’s political climate has proven equally as challenging.

In recent years, the state Legislature has passed several laws that, while well intentioned, are serving to increase the costs of production in Oregon. Since Oregon producers are largely price takers in international commodity markets, they have little way of passing these new costs onto producers. Examples include the so-called “Corporate Activities Tax,” which is hitting producers at each stage of their supply chain, from parts to feed. The Department of Environmental Quality has also implemented a Climate Protection Program which will cause a significant increase in fuel and home heating costs at a time when those are already astronomical. Farmers are also grappling with new clean fuel and clean energy policies, which are compounding the already significant effect of inflation on fuel prices. In the labor sphere alone, producers are trying to deal with ever increasing wage pressure from the state’s high minimum wage laws, paid medical leave, Oregon Saves, and heat and smoke rules. On top of that, producers are struggling to figure out how they will afford the new overtime rule for agricultural workers, which will sharply increase costs for producers, a burden that many overwhelmingly said they cannot bear.

The greatest concern about the burdens policymakers are heaping on the backs of farmers and ranchers is that these public policies will make it impossible for family-scale farming and ranching to survive. We are already seeing that large corporate entities are the ones

with the resources to survive, as farm and ranch families sell and move to other states or leave the farm altogether.

Like other industries, farmers and ranchers are dealing with inflation at a 40-year-high, high diesel prices and fertilizer costs that have more than doubled. There is inflation on everything our farmers and ranchers buy – all of their inputs, and their supply costs are outpacing the price of agricultural goods.

HB 3244 will require the state to finally assess the economic competitiveness of Oregon agricultural products within the U.S market and submit a report to the Legislature. That report will take into consideration not only the external factors and pressures that have an impact on our farmers and ranchers, but also the overall regulatory burden on Oregon agricultural entities, compared to other agricultural sectors in other states.

In poll after poll, Oregonians say that they value farm and ranch families and the fresh, local products that are contributed to Oregon's quality of life. Oregon cannot continue to burden our farm and ranch families with challenging policies and expect them to survive in this state. Healthy family farms and ranches mean a healthy Oregon. HB 3244 will finally give the legislature an idea of the complete picture of what our farmers and ranchers are faced with and what challenges they have remaining competitive. Please pass HB 3244.

Please email lauren@oregonfb.org with any questions related to these comments.