

March 19, 2010

A message from 46 associations
and companies on behalf of the
Washington agricultural community

Dear Members of the Washington State Legislature:

The Agriculture industry is opposed to SB 6851 and its companion HB 3181. These bills would substantially increase the Hazardous Substance Tax (HST) to fund government stormwater projects. Although we are sympathetic to the budget concerns of those who bear the financial responsibility for stormwater management, there is a primary disconnect between the problem and the solution. We do not support increasing the HST on agricultural inputs that have little or nothing to do with stormwater issues and only serve to increase production costs for those of us who feed the public.

We ask you to oppose SB 6851 and HB 3181 for the following reasons:

- Farm-use fuel is usually not affected by gas tax increases, but an HST increase is added at the wholesale level, applying to “dyed” diesel as well as other fuels. Fertilizer costs to farmers are currently rising and HST would tax fertilizer twice. In other words, the HST would increase the production costs of fertilizer because it is petroleum intensive to produce and would also increase the tax on the final product due to the higher price of fertilizer.
- The financing of stormwater concerns, which greatly originate in areas with impervious surface, such as asphalt and concrete, should not originate with farmers who responsibly manage lands which not only produce food but do so in an environmentally responsible way.
- In this economy, Agriculture cannot afford additional taxes. Washington’s farmers are price takers, not price makers.

Agriculture wants to help lead Washington out of this economic downturn, and with an economic impact of \$38 billion and 160,000 jobs, a healthy agricultural sector is in a unique position to do that. Additional tax burdens will prevent Agriculture from succeeding. We ask you to vote NO on SB 6851 and HB 3181.

Sincerely,

Bleyhl Farm Service, Inc
Blue Star Growers, Inc
Bybee Foods, LLC
Cattle Producers of Washington
CHS, Inc
Colfax Grange Supply
Columbia Basin Development League
Columbia Snake River Irrigators Association
ConAgra Foods - Lamb Weston
Cowiche Growers, Inc
Darigold
Far West Agribusiness Association
Hop Growers of Washington
National Foods Corporation
Northwest Dairy Association
Northwest Farm Credit Services
Northwest Food Processors Association
Northwest Grain Growers, Inc
National Grape Cooperative
NUTRIOM, LLC
Pomeroy Grain Growers, Inc
Quincy Foods
Ritzville Warehouse Company
Tree Top, Inc

Valley Fresh Foods, Briarwood Farms Division
Washington Asparagus Council
Washington Association of Wheat Growers
Washington Association of Wine Grape Growers
Washington Blueberry Commission
Washington Cattle Feeders Association
Washington Cattlemen's Association
Washington Farm Bureau
Washington Friends of Farms and Forests
Washington Fryer Commission
Washington Growers Clearing House Association
Washington Potato & Onion Association
Washington State Dairy Federation
Washington State Council of Farmer Cooperatives
Washington State Grange
Washington State Horticultural Association
Washington State Sheep Producers
Washington Turfgrass Seed Commission
Wenatchee Valley Traffic Association
Western Washington Agricultural Association
Whitgro, Inc
Yakima Valley Growers-Shippers Association