

# POLICY BRIEF

## Washington fails Farming 101 classes

By Pam Lewison,  
Director, Center for Agriculture

April 2025

### Key Takeaways

1. Between 2012 and 2022 the number of farms operating in Washington state fell from 37,249 to 32,076, a decline of nearly 14%.
2. In that same period, the total land area under cultivation declined from 14.7 million acres to 13.8 million acres, a drop of 6%.
3. From 2017 to 2022, Washington lost 3,717 farms, about 14 farms every week.
4. Total agriculture production expenses in Washington state rose from \$7.8 billion in 2017 to \$11 billion in 2022, an increase of 41%. Inflation over the same period was 17%.
5. The \$1 billion increase in labor costs in just 10 years is ten times more than the \$100 million increase in the next highest farm input (animal feed), or nearly three times more than inflation over the same period.
6. Washington farm labor costs rose at a rate of 32% from 2017-2022, nearly double the rate of inflation.
7. Washington's farmers and ranchers produce more than \$12.7 billion in products per year.



# POLICY BRIEF

---

## Washington fails Farming 101 classes

By Pam Lewison,  
Director, Center for Agriculture

February 2025

3	<i>Introduction</i>
3	<i>Losing farms</i>
4	<i>Rising farm costs</i>
4	<i>Higher farm income</i>
4	<i>Conclusion</i>
5	<i>Solutions for saving farms and Washington's agriculture industry</i>

# Washington fails Farming 101 classes

By Pam Lewison,  
Director, Center for Agriculture

April 2025

## Introduction

Washington's agricultural industry is one of the most varied and productive in the United States. The state's farmers and ranchers produce more than \$12.7 billion in products annually, ranging from some of the best wine grapes in the world to grains like hay and wheat, and, of course, apples.

The industry is under tremendous pressure, however, from increased regulation and costs. The strongest trend in Washington agriculture in the years since 2012 has been the government-mandated increase in the cost of running a farm business. This series of policy choices has in turn increased the cost of food production and diminished viable farm operations in the state.<sup>1</sup>

## Losing farms

Between 2012 and 2022 the number of farms operating in Washington state fell from 37,249 to 32,076, a decline of nearly 14%.<sup>2</sup> The total land area under cultivation declined from 14.7 million acres to 13.8 million acres, a drop of 6%.<sup>3</sup> According to the most recent federal five-year report, covering 2017 to 2022, Washington lost 3,717 farms, about 14 farms every week. Over the same period the state lost more than 102,000 food-producing acres.

- 1 Note on sources. Government data on the agriculture sector in Washington state to 2022, the latest available. U.S. Census of Agriculture is on a five-year cycle, so the following data is from 2012 vs. 2022. Source for 2012 data is: U.S. Department of Agriculture, National Agriculture Statistics Service report, at [https://www.nass.usda.gov/Publications/AgCensus/2017/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/Washington/st53\\_1\\_0052\\_0052.pdf](https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_1_State_Level/Washington/st53_1_0052_0052.pdf). Source for 2022 data is: U.S. Department of Agriculture, National Agriculture Statistics Service report, at [https://www.nass.usda.gov/Publications/AgCensus/2022/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/Washington/st53\\_1\\_052\\_052.pdf](https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_1_State_Level/Washington/st53_1_052_052.pdf).
- 2 "Selected Producer Characteristics, 2017 and 2012," Table 52, Agriculture Census, state level - Washington, U.S. Department of Agriculture, accessed June 21, 2024, at [https://www.nass.usda.gov/Publications/AgCensus/2017/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/Washington/st53\\_1\\_0052\\_0052.pdf](https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_1_State_Level/Washington/st53_1_0052_0052.pdf), and "Selected Producer Characteristics, 2022 and 2017, Table 52, Agriculture Census, state level – Washington, U.S. Department of Agriculture, accessed June 21, 2014, at [https://www.nass.usda.gov/Publications/AgCensus/2022/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/Washington/st53\\_1\\_052\\_052.pdf](https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_1_State_Level/Washington/st53_1_052_052.pdf).
- 3 Ibid.

At the same time the average size of farms still in operation increased slightly from 396 acres to 432 acres, about 9%.<sup>4</sup>

## Rising farm costs

Total agriculture production expenses in Washington state rose from \$7.8 billion in 2017 to \$11 billion in 2022, an increase of 41%. Inflation over the same period was only 32%.

Most of this increase in farm expenses was due to the rise in labor costs, which increased from \$2.2 billion in 2017 to \$2.7 billion in 2022, a 22% increase adjusted for inflation. New government rules implemented in 2022 increased total farm operation costs by \$17.67 million in just the first year.<sup>5</sup>

Labor costs increased by \$1 billion from 2012 to 2022, ten times more than the \$100 million increase in the next highest farm input (animal feed), or nearly three times more than inflation over the same period.

These farm cost increases are due in part to market conditions and global pressures. However, state and federal policy are significant factors in driving labor costs upward. Washington's agricultural labor force is directly affected by the federally mandated Adverse Effect Wage Rate, which acts as a de facto minimum wage for almost all agricultural employers. The state's implementation of the nation's strictest overtime law and increases in the Department of Labor and Industries' wage-related fees and payroll taxes also increase labor costs annually.

As a result, from 2017-2022 Washington's farm labor costs rose at a rate of 32%, or nearly twice as fast as inflation.<sup>6</sup>

## Higher farm income

Total farm market value increased over the study period from \$9.1 billion in 2017 to \$12.7 billion in 2022, an increase of nearly 9.5% adjusted for inflation. Total net farm income increased from \$1.3 billion to \$1.7 billion, an uptick of just 2% adjusted for inflation. Nationally, net farm income peaked in 2022 at a reported \$182 billion. It declined in 2023 and decreases are also forecasted for 2024 and 2025.

## Conclusion

Washington remains resource-rich, providing ideal soil and climate conditions to produce an abundance of nutritious and high-quality food products. The primary

---

4 Ibid.

5 "WA is losing farms and food-producing land. Does anyone care?" by Pam Lewison, Director for Agriculture, Washington Policy Center, guest op-ed, *The Seattle Times*, April 15, 2024, at <https://www.seattletimes.com/opinion/wa-is-losing-farms-and-food-producing-land-does-anyone-care/>.

6 "CPI Inflation Calculator, 2012 – 2022," Data Tools, U.S. Bureau of Labor Statistics (BLS), accessed June 21, 2024, at [https://www.bls.gov/data/inflation\\_calculator.htm](https://www.bls.gov/data/inflation_calculator.htm).

obstacle to greater agricultural prosperity remains policy choices made by state leaders, conditions that can be changed for the better if newly elected leadership chooses to adopt a more flexible and positive approach.

## **Solutions for saving farms and Washington's agriculture industry**

- **Expand the H-2A jobs agriculture program.** The federal H-2A visa program is a key resource for agricultural employers in filling jobs and ensuring the completion of essential on-farm tasks. The program is entirely voluntary and pays well above the state's hourly minimum wage. State leaders should join with federal policymakers to make the program easier and less costly for employers to utilize.
- **Increasing funding for vocational educational programs.** Policymakers should devote funding to educational alternatives and vocational training in the agricultural sector. This approach would open new job opportunities in the domestic workforce and help fill the labor needs of employers throughout the state, especially farmers and ranchers.
- **Scale back state-mandated overtime structures and create overtime flexibility in agriculture.** Imposing overtime work restrictions on farm operations has led to a reduction in hours and decreased worker income. State leaders should leave the decision about hours and earnings to farmworkers and employers and allow for flexibility in the overtime pay law.
- **Seek opportunities to reduce unnecessary burdens on farmers.** For example, Washington is one of only two states to tax farm equipment the same as they would vehicles. This leads to tens of thousands of dollars of additional expense due to taxes on farming equipment.

## Published by Washington Policy Center

*Washington Policy Center is an independent research organization in Washington state. Nothing here should be construed as an attempt to aid or hinder the passage of any legislation before any legislative body.*

Chairman

**Greg Porter**

President

**Steven Hatting**

Communications Director

**David Boze**

If you have any comments or questions about this study, please contact us at:

Washington Policy Center  
PO Box 3643  
Seattle, WA 98124-3643

Online: [www.washingtonpolicy.org](http://www.washingtonpolicy.org)  
E-mail: [wpc@washingtonpolicy.org](mailto:wpc@washingtonpolicy.org)  
Phone: (206) 937-9691

© Washington Policy Center, 2025



### About the Author

Pam Lewison is the Research Director for WPC's Center for Agriculture. She is also a fourth-generation farmer raising hay, teff, and other rotational crops and finishes a few beef cattle annually for direct-to-consumer sale. She is the current Grant County Farm Bureau president and as well as the current Washington CattleWomen's Association president. Her writing and expertise have been featured in ag publications like Capital Press and large news publications like The Seattle Times and The LA Times. She also contributes to the Pacific Research Institute on agricultural issues. Her research been utilized in numerous hearings in Olympia and she has had the good fortune to work with several lobbyists and legislators on both sides of the aisle. She holds a master's degree in Agricultural Leadership, Education, and Communications from Texas A&M University—College Station and a bachelor's degree in English—Creative Writing from Washington State University—Pullman. Her belief in what WPC stands for in the ag space is simple: food does not have a political party; everyone eats.