

POLICY NOTE

Washington state's harsh anti-agriculture policies lead to decline in farms and ranches

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Key Findings

1. A series of harsh anti-agriculture policies imposed by Washington's elected leaders has resulted in a steady decline in the number of farms and ranches in the state.
2. Washington state lost 3,717 farms between 2017 and 2022; an average of 743 farms a year.
3. The average size of farms in acres increased to 432 between 2017 and 2022. The larger average farm size is an indicator of consolidation.
4. Farms and ranches in Washington state earned \$12.7 billion in income in 2022. The same year, the cost of production was \$11 billion.
5. In 2022, the average farm earned \$53,000 after expenses.
6. Farm labor accounted for \$2.76 billion in costs in 2022; up from \$2.18 billion in 2017.

Introduction

The federal government has been collecting information about the health of American farming through the U.S. Census of Agriculture since 1840. Until 1996, the agriculture census was conducted by the U.S. Department of Commerce. It was then moved under the jurisdiction of the U.S. Department of Agriculture National Agricultural Statistics Service. Since 1982, the U.S. Census of Agriculture has been conducted consistently every five years with data collection occurring in every numbered year that ends with a "2" or a "7."¹

The historical context of the U.S. Census of Agriculture is important. National leaders have recognized that the agricultural community needed to be counted as both part of the regular U.S. Census of population and separately through a census specifically aimed at the needs of food producers throughout the country.

The U.S. Census of Agriculture data is distilled into individual states' data sets to help guide state-level decisions about how to support America's farmers and ranchers. The 2022 data was recently released and shows some grim numbers for Washington state's agricultural community. Elected leaders in our state have clearly neglected the concerns of rural Washingtonians and it shows in the poor outcomes these communities have experienced.

Trends of Loss

Data from the U.S. Census of Agriculture includes overall farm totals in a state for a given census, as well as showing previous results for comparison.² The 2022 census data for Washington shows a worrying trend in both farm losses and reduced farm size. The numbers show Washington state has been losing farms steadily since 2007.

In 2007, the USDA recorded 39,284 farms in Washington. Most recent data show just 32,076 farms. More troubling is that in previous census years (2007-2017), farm losses were 2,035 between 2007-2012 and 1,456

1 "U.S. Agricultural Census History. 2017 Census of Agriculture," USDA, National Agricultural Statistics Service, accessed February 13, 2024, at https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1_Chapter_1_US/usintro.pdf.

2 "U.S. Agricultural Census 2022, Historical Highlights: 2022 and Earlier Census Years," USDA, National Agricultural Statistics Service, February 13, 2024 at https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1_Chapter_1_State_Level/Washington/st53_1_001_001.pdf.

between 2012-2017, or an average of 407 and 291 lost per year respectively. Between 2017-2022, there was a dramatic increase in the annual average loss of farms. Washington state lost a total of 3,717 farms or an average of 743 farms a year, nearly double the number of farms lost in the previous decade in each five-year period.

As many in the agricultural community have predicted, as more farms disappear from our state, the average number of acres per farm has increased from 381 acres in 2007 to 432 in 2022. This increase in farm size among fewer farms indicates that consolidation is occurring throughout the state.

Income vs. Outputs

Much has been made about the income of farmers and ranchers in Washington. However, it is rare that cost of production is discussed as broadly. Looking at the 2022 data sheds light on that aspect as well.

The census data notes the “market value of agricultural products sold” in 2022 was \$12.7 billion. The same data shows “total farm production expenses” that year were \$11 billion. So, real income was \$1.7 billion or only about \$53,000 per farm on average. Given the many risks agriculture faces – weather, disease, access to water, soil conditions, fickle international markets – farming is hardly a high-profit activity in Washington.

When production expenses are broken down to a granular level, a few things stand out. First, “Hired Farm Labor” accounted for the single largest expenditure, outpacing all other production expenses during the last 15 years. In 2017, before the agricultural overtime decision, labor accounted for \$2.18 billion in production expenses. In 2022, the first year of the phase-in of agricultural overtime rules, labor cost Washington state’s farmers and ranchers \$2.76 billion.

During the five years between 2017 and 2022, Washington state’s minimum wage rose from \$11 an hour to \$14.49 an hour, a 40% increase, contributing to part of the increased labor costs.³ In the same span, the Adverse Effect Wage Rate (AEWR) went from \$13.38 an hour to \$19.25 an hour, a 43% increase.⁴ The artificial escalation of wage rates coupled with mandatory overtime pay beginning after 55 hours a week certainly contributed to the 23% increase in overall labor costs between 2017 and 2022.

Regulatory burdens

Washington state’s legislature and agencies began proposing stricter and more expensive agricultural regulations midway through the census cycle. In 2019, bills in the state House and Senate were proposed to increase the cost of using

3 “History of Washington state’s Minimum Wage.” Washington Department of Labor and Industries, accessed February 14, 2024, at <https://lmi.wa.gov/workers-rights/wages/minimum-wage/history-of-washington-states-minimum-wage#:~:text=Initiative%201433%2C%20approved%20by%20Washington,Washington%20is%20%2416.28%20per%20hour>

4 “H-2A Adverse Effect Wage Rates,” U.S. Department of Labor, December 14, 2023, at <https://flag.dol.gov/wage-data/adverse-effect-wage-rates>.

the popular H-2A jobs program.⁵ The same year, a bill introduced in the Senate insultingly suggested Washington state’s farmers and ranchers were actively engaged in slave labor and human trafficking.⁶

Political pressure on the agricultural community did not abate in 2020. A Senate bill proposing banning the pesticide chlorpyrifos – a pesticide used to control invasive insects in grains, fruits, vegetables, lawns, and ornamental plants – would have significantly curbed agricultural production because there are no replacement pesticides available.⁷ The Departments of Health and Labor and Industries proposed cutting farmworker housing in half by attempting to limit occupancy to 50 percent of normal.⁸

In 2021, the Washington state legislature passed the phased-in approach to agricultural overtime. Under the bill, all agricultural employers were required to begin paying time-and-a-half on a schedule that would lower the overtime threshold over three years.⁹ During the debate on agricultural overtime, a second bill was introduced to determine “living wages” for all farmworkers in 300 different commodity identifications. Under the bill “living wages” would have been determined by an eight-person panel with two representatives from dairy, wheat, tree fruit, and cattle only.¹⁰

By the 2022 legislative session, Governor Inslee was trying to pass strict regulations on agriculture, too. Three Governor-request bills called for extremely large riparian buffers under the guise of “salmon recovery” and would have taken thousands of acres out of production.

The targeted areas that were subject to installation of buffers were all in agricultural and rural areas of the state.¹¹ To add insult to injury, the Governor claimed in a media interview that his relationship with agriculture was a good one.¹² To cap off the year, the Washington State Department of Labor and

5 “Despite shortages, farm labor is under attack again,” by Pam Lewison, Washington Policy Center January 21, 2019, at <https://www.washingtonpolicy.org/publications/detail/despite-shortages-farm-labor-is-under-attack-again>.

6 “SB 5693, shifting the burden of proof by implying that Washington state grocers, farmers and ranchers are involved in slavery and human trafficking,” by Pam Lewison, Legislative Memo, Washington Policy Center, March 5, 2019, at <https://www.washingtonpolicy.org/publications/detail/sb-5693-shifting-the-burden-of-proof-by-implying-that-washington-state-grocers-farmers-and-ranchers-are-involved-in-slavery-and-human-trafficking>.

7 “House bill puts the brakes on Chlorpyrifos ban,” by Pam Lewison, Washington Policy Center, March 9, 2020, at <https://www.washingtonpolicy.org/publications/detail/house-bill-puts-the-brakes-on-chlorpyrifos-ban>.

8 “Department of Health, L&I propose Ag crushing H-2A housing rules,” by Pam Lewison, Washington Policy Center, April 24, 2020 at <https://www.washingtonpolicy.org/publications/detail/department-of-health-li-propose-ag-crushing-h-2a-housing-rules>.

9 “Relationship status with ESSB 5172: It’s complicated,” by Pam Lewison, Washington Policy Center, March 10, 2021, at <https://www.washingtonpolicy.org/publications/detail/relationship-status-with-essb-5172-its-complicated>.

10 “House bill overlooks too many agriculture variables,” by Pam Lewison, Washington Policy Center, February 11, 2021, at <https://www.washingtonpolicy.org/publications/detail/house-bill-overlooks-too-many-agriculture-variables>.

11 “Buffer bill is anti-agriculture,” by Pam Lewison, Washington Policy Center, January 18, 2022 at <https://www.washingtonpolicy.org/publications/detail/buffer-bill-is-anti-agriculture>.

12 “Governor is unaware of his broken relationship with Washington ag,” by Pam Lewison, Washington Policy Center, February 18, 2022, at <https://www.washingtonpolicy.org/publications/detail/governor-is-unaware-of-his-broken-relationship-with-washington-ag>.



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Industries proposed new outdoor smoke rules that were far more restrictive than U.S. Environmental Protection Agency recommendations.¹³

During the span between 2017 and 2022, even more bills aimed at tightening restrictions on agriculture in the state were proposed. Given the number of bills Washington lawmakers file before and during each legislative session, it is possible to estimate that hundreds of bills in that five-year span have or could have had a direct negative effect on agriculture. Highlighting a few of the most harmful bills, as described above, only points to a systemic problem and implicit hostility among urban-based lawmakers that is well beyond the scope of this analysis.

Conclusion – the exodus of food production

After five years of harsh regulations designed to push farmers and ranchers out of the food production business, it is not surprising that Washington has lost an average of 743 farms a year between 2017 and 2022.

At every turn, farmers and ranchers were tacitly told by lawmakers, state agencies, and even the Governor, they are not wanted and are not welcome in our state. Even people with strong ties to land and livestock will walk away when their livelihoods are being stripped from them through the imposition of one hostile state policy after another.

If Washington leaders truly want the things left-leaning city dwellers claim are important: locally grown food, responsible conservation, affordable meals for low-income families, and open spaces preserved for plants and animals, they need to begin defending local farmers and ranchers vocally and often. The agricultural community has shown its willingness to pack up and take its efforts elsewhere. What is often left in their wake is land sold to developers for ever-more dense populations, a larger carbon footprint from every person who must travel farther to find affordable groceries, and more food scarcity as we rely more heavily on imported necessities.

The exodus of farmers and ranchers from Washington state has been talked about for the last five years. Now the data shows it is happening faster than most thought it would.

¹³ "Arbitrary smoke rules may do more harm than good," by Pam Lewison, October 6, 2022 at <https://www.washingtonpolicy.org/publications/detail/arbitrary-smoke-rules-may-do-more-harm-than-good>.