



UTAH FARM BUREAU FEDERATION

9865 South State Street • Sandy, Utah 84070-3205 • Phone: (801) 233-3040 • www.utahfarmbureau.org

"Inspire All Utah Families to Connect, Succeed, and Grow Through the Miracle of Agriculture."

Statement of Ron Gibson, President, Utah Farm Bureau Federation
Before the House Natural Resources Energy & Commerce Committee
Republican Forum.

June 24, 2022

I want to thank you for the opportunity to visit with you at today's forum, and to share some personal context for how our rapidly surging fuel prices are impacting farmers and ranchers in Utah, and our ability to grow food for us all to eat. But while I share some stories and simple economics of how this is impacting my farm and the farmers & ranchers I represent, you'll see how this is impacting all Americans.

As mentioned, my name is Ron Gibson and I am a 6th-generation dairy and produce farmer in Weber County, Utah – about 40 miles north of Salt Lake City. While we are a community that is situated right along the Wasatch Front in one of the fastest-growing states in the country, we have plenty of rural areas where farm and ranch families are growing food every day for the rest of our country – and much of the world.

I serve as the President of the Utah Farm Bureau Federation, which represents more than 32,000 families in Utah and is made up of what I consider the salt of the earth. Wonderful men and women who put in the work every day so we can have an abundant food supply. I am happy to be able to share the story of how outrageous fuel costs are impacting our ability to produce food for this country.

Over the past few years, while we have all been experiencing frustrations in being able to stock grocery store shelves, finding enough labor to keep restaurants open, or finding the right product you were looking for, it has traditionally been a supply chain problem. Despite the devastating drought we're going through in Utah and the west, I can tell you that we have not had a food production problem in our country. But I am concerned that the rapidly increasing price of fuel may begin to create a production problem. And this will continue to impact the food affordability problem.

One of the most pressing issues on my mind and those of the farmers I represent – and the consumers we interact with – is the rising cost of everything in our lives. This includes the food on our tables, as well as the fuel in our vehicles and tractors.

For farmers and ranchers, rising input costs for our businesses have included fertilizer and fuel. Some of the rising costs are being driven by many factors, from inflation and supply chain issues to Russia's invasion of Ukraine. Any one of these issues can really impact my ability to make numbers pencil out, but combining them all together has been a disaster.

These rising input costs can impact different areas of agriculture in different ways. While some have seen costs offset a little by increased market prices, many of us in agriculture have been unable to pass along price increases and have seen margins narrow even more than normal.

According to USDA, input costs for farmers went up 12% in 2021, and up 6% again so far this year. For some of our farmers who sell directly to consumers, there may be some ability to pass along production increases, but that comes with a risk of losing longtime customers in the long run. Others of us can't pass along those costs at all.

As a dairy and produce farmer, I take seriously the responsibility I have of feeding my neighbors and others throughout the State of Utah. Farmers and ranchers have always risen to the challenge of feeding our country and others throughout the world. But the high costs of fuel are combining with other high input costs to make that challenge hard to fulfill. For some, we're having to deal with fuel prices that are two to three times as much as they were last year. I fear that without action or a drastic reduction in fuel costs, we will lose farmers and ranchers in our state as they go out of business.

The food our farms produce is one part of what we call the 'Miracle of Agriculture', but our farmers and ranchers are an integral part of the cultural fabric of our communities. They're part of the soul of our state and nation. I fear that if we lose our farm and ranch families, it will be more than looking for a new source for our food. We'll be losing a part of ourselves that will be difficult to replace.

Thank you.