

# The True Cost of Food: Senators Braun & Muzzall on Affordability and Agriculture

Senators John Braun and Ron Muzzall discuss why Washington's food prices keep climbing. From labor and fuel costs to taxes and regulations, they reveal how policies impact farmers, grocery stores, and families—and why affordability should be a legislative priority. A candid look at the state's agricultural crisis.

Disclaimer: This transcript is produced from provided audio text and has been lightly edited for clarity. It may not capture every word or nuance from the original recording. For full context, listen to the official episode.

00:00:08:09 - 00:00:09:17

It's the Elephant in the Dome,

00:00:09:17 - 00:00:12:22

the official podcast of the Washington State Senate Republican Caucus.

00:00:12:22 - 00:00:15:19

I'm pretty sure that's where Senate Republican Leader John Braun

00:00:15:19 - 00:00:18:22

also joining us today is Senator Ron Muzzall.

00:00:18:28 - 00:00:21:22

Senator Ron Muzzall sent out an interesting email.

00:00:21:22 - 00:00:25:11

He's responding to something that came from a guy I used to work with,

00:00:25:11 - 00:00:28:11

actually, Charlie Harger with KIRO radio.

00:00:28:11 - 00:00:32:02

He said if lawmakers want to help working families, here's a simple test

00:00:32:02 - 00:00:33:17

for every new proposal.

00:00:33:17 - 00:00:37:11

Before you vote on it, ask yourself,  
what does this do to the price

00:00:37:11 - 00:00:38:09  
of groceries?

00:00:38:09 - 00:00:40:20  
Because people are already doing  
the math at home,

00:00:40:20 - 00:00:42:13  
and a lot of them are coming up short.

00:00:42:13 - 00:00:45:04  
Senator Muzzall responded: Exactly.

00:00:45:04 - 00:00:47:23  
Food isn't expensive  
because commodities are high.

00:00:47:23 - 00:00:49:20  
It's high because of all the other costs.

00:00:49:20 - 00:00:51:24  
Senator Ron Muzzall  
your on the Ag committee.

00:00:51:24 - 00:00:53:24  
Farmers aren't getting rich right now.

00:00:53:24 - 00:00:56:16  
The prices people are paying  
are going someplace else.

00:00:56:16 - 00:00:59:10  
And Senator Braun this kind of goes  
with what you're always saying.

00:00:59:10 - 00:01:02:21  
Every bill we're going to look to see  
what it does to affordability.

00:01:02:22 - 00:01:04:02  
There are a lot of bills out there

00:01:04:02 - 00:01:07:02  
that can really affect  
how much food cost, right?

00:01:07:03 - 00:01:08:14  
Well, yeah. Tracy.

00:01:08:14 - 00:01:10:24  
So I've got kind of an interesting

00:01:10:24 - 00:01:14:18  
look at it being a farmer,  
but also being vertically integrated.

00:01:14:18 - 00:01:16:08  
We also own grocery store.

00:01:16:08 - 00:01:21:10  
So when you start stacking up  
all of these margins

00:01:21:12 - 00:01:26:06  
that are brought about by the costs  
in Washington state.

00:01:26:17 - 00:01:28:27  
Yeah, I made the point on commodities.

00:01:28:27 - 00:01:34:13  
Truth matter is, is even with, tariffs,  
soybeans are about \$0.35

00:01:34:13 - 00:01:38:14  
a bushel higher than they were last year,  
but they're only at \$10.

00:01:38:14 - 00:01:41:12  
Corn's at three something a bushel.

00:01:41:12 - 00:01:45:12  
Wheat, 280 a bushel,  
something along that line.

00:01:45:12 - 00:01:50:22

So the it it's not the cost of wheat  
or corn or soybeans

00:01:51:02 - 00:01:55:15

or for that matter, pork,  
which is actually low right now.

00:01:55:15 - 00:01:57:09

Beef is at an all time high.

00:01:57:09 - 00:02:00:09

But our cattle herds that are 75 year low,

00:02:00:10 - 00:02:06:01

it's all those other costs fuel, labor,  
all of the other inputs that go into that,

00:02:06:01 - 00:02:10:07

that through this inflationary period  
have increased exponentially.

00:02:10:22 - 00:02:15:14

And food makes, at the minimum,  
four separate trips

00:02:15:14 - 00:02:19:06

between the field and the store,  
some of them way more.

00:02:19:14 - 00:02:21:19

So these transportation costs,

00:02:22:24 - 00:02:25:09

we have some of the highest fuel prices  
in the nation.

00:02:25:09 - 00:02:27:07

It just goes on and on.

00:02:27:07 - 00:02:32:21

Farmers in this state are at number 50  
when it comes to profitability.

00:02:32:21 - 00:02:35:21

But if you look at the cost of the food  
in the grocery store,

00:02:35:26 - 00:02:37:26

we're one of the highest.

00:02:37:26 - 00:02:41:14

Are their bills right now, Senator Braun  
that are going to make food prices higher

00:02:41:15 - 00:02:42:24

if they pass.

00:02:42:24 - 00:02:45:07

Yeah,  
I think the one that stands out the most

00:02:45:07 - 00:02:50:15

and is the one that will allow  
for unionization in ag workers and

00:02:50:21 - 00:02:55:10

and I'm not against, folks  
unionizing and bargaining that that's kind

00:02:55:10 - 00:02:58:21

of been around in our state, our state  
and our country for, for decades.

00:02:58:21 - 00:02:59:10

Right.

00:02:59:10 - 00:03:01:28

But Ag is it a particular risk here?

00:03:01:28 - 00:03:05:03

It's not like,  
even even our school district,

00:03:05:06 - 00:03:07:01

it's illegal to illegal to strike.

00:03:07:01 - 00:03:09:02

But we see strikes periodically.

00:03:09:02 - 00:03:11:01

They don't, you know,  
Senator Schoesler said this the other day.

00:03:11:01 - 00:03:12:10

They don't miss a day of school.

00:03:12:10 - 00:03:13:27

We just add another day on the end.

00:03:13:27 - 00:03:17:12

That's not like that  
if you're harvesting cherries or apples,

00:03:17:17 - 00:03:20:01

if you don't get the harvest  
when the harvest is out there

00:03:20:01 - 00:03:23:12

because of a strike,  
it is it is an extraordinary risk.

00:03:23:12 - 00:03:26:23

It's a it's  
it's existential to the, the farm.

00:03:27:06 - 00:03:30:10

So this is a big deal  
and will almost certainly

00:03:30:10 - 00:03:33:15

add significant price  
because it adds significant risk.

00:03:34:20 - 00:03:36:11

I mean, just, I'm trying to

00:03:36:11 - 00:03:39:26

say the fact that our minimum wage  
is one of the highest in the nation.

00:03:40:07 - 00:03:41:12

That is the bottom.

00:03:41:12 - 00:03:44:20

And when you have good workers,  
they are above that.

00:03:44:20 - 00:03:48:28

We're at \$27 an hour  
on top of all the other costs,

00:03:49:05 - 00:03:53:22

these these add costs to the grocery store  
and grocery stores,

00:03:53:22 - 00:03:58:02

which usually are used  
to have a good margin.

00:03:58:18 - 00:04:01:15

Grocery stores  
have really taken a hit over the last

00:04:01:15 - 00:04:04:15

five years,  
and we sell to a bunch of grocery stores.

00:04:04:20 - 00:04:07:20

They are  
they're struggling to make a profit.

00:04:07:20 - 00:04:11:04

And we have a bill this year  
that would make it essentially illegal

00:04:11:04 - 00:04:14:15

for a store,  
a large chain store, to shut down.

00:04:14:25 - 00:04:18:10

Now they have to give six months notice,  
so on and so forth.

00:04:18:16 - 00:04:19:29

But if you're losing money

00:04:19:29 - 00:04:23:18

that just that much longer that you're  
going to lose money if you qualify

00:04:23:18 - 00:04:26:18

underneath this,  
the particulars of this bill.

00:04:26:22 - 00:04:30:11

Just means they make that decision sooner  
and shut down sooner and leave folks

00:04:30:11 - 00:04:31:05

without food.

00:04:31:05 - 00:04:32:10

It isn't their choice.

00:04:32:10 - 00:04:34:06

I mean, they're forced out of business.

00:04:34:06 - 00:04:37:06

This just makes it more traumatic  
to do it.

00:04:37:13 - 00:04:39:14

Yeah. The, the,

00:04:40:19 - 00:04:42:24

the, our  
colleagues on the other side of the aisle,

00:04:42:24 - 00:04:45:24

they see, you know,  
they they've said the word affordability.

00:04:45:24 - 00:04:47:07

I don't think they really understand

00:04:47:07 - 00:04:51:05

what they, you know, but they just think,  
hey, if the the price of food has gone

00:04:51:05 - 00:04:56:06

up, therefore,  
it must be those evil corporations,

00:04:56:06 - 00:05:00:03

when in fact, you know, the farmers  
is, grocery stores.

00:05:00:09 - 00:05:04:16

Almost everybody in the chain  
is doing worse than they were doing

00:05:04:16 - 00:05:08:15

before, even with higher prices,  
because they're just trying to, deal

00:05:08:15 - 00:05:12:06

with the transportation costs,  
the regulatory costs, the labor cost.

00:05:12:14 - 00:05:15:15

And, our, our, the Democratic majority

00:05:15:15 - 00:05:19:18

just seems to want to pile more on,  
which is just more is coming, not less.

00:05:19:20 - 00:05:22:20

Democrats often say, well, hey,  
you know, these tariff costs,

00:05:22:20 - 00:05:24:18

these are really hurting grocery stores.

00:05:24:18 - 00:05:26:25

These are really hurting everyday people.

00:05:26:25 - 00:05:28:03

You know, that's one cost.

00:05:28:03 - 00:05:30:11

But Senator Muzzall  
you were listing off a bunch of things

00:05:30:11 - 00:05:32:07  
that really have nothing to do  
with tariffs.

00:05:32:07 - 00:05:36:02  
Our food prices are higher  
than other states for reasons beyond that.

00:05:36:02 - 00:05:40:03  
After Christmas, we were in Louisiana,

00:05:40:03 - 00:05:43:05  
Texas,  
Arkansas, Tennessee and Mississippi.

00:05:43:16 - 00:05:46:03  
And it was shocking. It was shocking.

00:05:46:03 - 00:05:51:17  
You could get, gas somewhere  
between 2.05 and 2.35 a gallon.

00:05:51:29 - 00:05:55:22  
You go to the grocery store and you could  
just see the difference in prices.

00:05:56:03 - 00:06:00:24  
And there I was talking, stopped off,  
visit a friend who manages a co-op there.

00:06:01:05 - 00:06:04:06  
They're paying 20 bucks an hour  
because labor is shy.

00:06:04:17 - 00:06:06:24  
And so they have to pay that  
to get the people in there.

00:06:06:24 - 00:06:10:08  
But when you look at the cost of living  
is so much low,

00:06:10:16 - 00:06:14:07  
lower than \$20-\$22 an hour,

00:06:14:07 - 00:06:17:07

it's largely younger individuals  
that are working there.

00:06:17:14 - 00:06:20:16

They're making good money  
because it doesn't cost them

00:06:20:16 - 00:06:24:18

as much to live  
What can you do about it as legislators?

00:06:24:21 - 00:06:27:05

You're not in charge.  
So your options are somewhat limited

00:06:27:05 - 00:06:28:25

because, you know, Democrats  
call the shots.

00:06:28:25 - 00:06:30:16

But this is a real issue for people.

00:06:30:16 - 00:06:34:14

Charlie Harger on KIRO mentioned it  
because this is what people are talking

00:06:34:14 - 00:06:34:27

about.

00:06:34:27 - 00:06:38:10

It seems like something that  
every legislator would want to focus on.

00:06:38:10 - 00:06:38:25

Yeah.

00:06:38:25 - 00:06:40:25

I mean, they  
they talk about affordability, but again,

00:06:40:25 - 00:06:43:29

they're not in the very I mean, there's

a ton of things we could talk about

00:06:43:29 - 00:06:47:22

from from added labor cost  
to fuel costs to the regulatory costs.

00:06:47:26 - 00:06:51:02

But when you're talking about actions here  
at the state legislature,

00:06:51:10 - 00:06:54:01

you got to start with  
with the level of taxation.

00:06:54:01 - 00:06:57:05

And we've gone over  
the last few years from kind of,

00:06:57:18 - 00:07:00:01

you know, if you will, at ten years,  
we're probably a little bit

00:07:00:01 - 00:07:03:19

better than average when it came to tax  
climate in Washington state.

00:07:03:26 - 00:07:07:05

And we've gone from there to I think we're  
now the fourth worst in the country.

00:07:07:09 - 00:07:09:14

You know,  
they just keep layering on every year.

00:07:09:14 - 00:07:10:25

It's a tax first policy.

00:07:10:25 - 00:07:13:24

We got a problem. And and state government  
let's tax some more.

00:07:13:24 - 00:07:14:27

So we have more money.

00:07:14:27 - 00:07:17:05

And frankly they're not spending it to solve the problem.

00:07:17:05 - 00:07:18:15

They're just wasting it.

00:07:18:15 - 00:07:23:14

But all that additional tax collection and voters get that I know citizens

00:07:23:14 - 00:07:29:14

get that is they that cost passes due to the consumer one way or the other.

00:07:29:14 - 00:07:32:06

Sometimes they're paying it directly in the form of a property tax

00:07:32:06 - 00:07:35:06

or maybe a sales tax on services put in place last year.

00:07:35:10 - 00:07:38:10

But even if they're not paying it directly, like in the case of a, you know,

00:07:38:15 - 00:07:41:11

they know intuitively that that's coming to them and they feel it

00:07:41:11 - 00:07:43:21

every time they go to the grocery store or frankly, anywhere else.

00:07:43:21 - 00:07:46:03

They have to buy something in the state of Washington.

00:07:46:03 - 00:07:49:05

Before I started working for the caucus, I thought, you know, one of the reasons

00:07:49:16 - 00:07:52:14

food prices went up  
is because, for example,

00:07:52:14 - 00:07:55:01  
gas prices go up  
and that's really going to affect

00:07:55:01 - 00:07:57:03  
farmers, right,  
because they use a lot of gas.

00:07:57:03 - 00:08:01:16  
But then I was told by a farmer,  
one of the senators here that, no, listen,

00:08:01:16 - 00:08:06:04  
we take whatever price he works in wheat,  
whatever the wheat price is.

00:08:06:04 - 00:08:07:23  
Right. So that's how commodities work.

00:08:07:23 - 00:08:09:24  
The farmers,  
they're not recouping the costs.

00:08:09:24 - 00:08:11:12  
So that's not where it's coming from.

00:08:11:12 - 00:08:14:28  
Well I mean the margin continues  
to get smaller for the farmer.

00:08:14:28 - 00:08:15:07  
And that's

00:08:15:07 - 00:08:19:12  
why currently we're averaging two farmers  
a day are going out of business.

00:08:19:12 - 00:08:24:06  
I mean, we are at eight in our state  
in our state at catastrophic point

00:08:24:06 - 00:08:25:07

in time.

00:08:25:07 - 00:08:29:06

We've got large agricultural entities  
that are filing for bankruptcy.

00:08:29:06 - 00:08:34:15

We've got we we have got an economic  
crisis when it comes to agriculture.

00:08:34:18 - 00:08:38:01

And what's interesting is,  
is that we talk about it,

00:08:38:12 - 00:08:41:04

but seldom  
do they acknowledge it across the aisle.

00:08:41:04 - 00:08:43:22

You know,  
the old joke is we don't need farmers.

00:08:43:22 - 00:08:45:05

We have grocery stores.

00:08:45:05 - 00:08:45:18

Well, now

00:08:45:18 - 00:08:49:00

farmers are going out of business,  
grocery stores are going out of business.

00:08:49:08 - 00:08:53:17

And even in between, we had a shut down  
of a potato plant in the Columbia Basin.

00:08:53:24 - 00:08:57:15

We've had distributors who have merged  
or have gone out of business.

00:08:57:29 - 00:09:02:18

Our entire food system  
in the state of Washington is on the verge

00:09:02:18 - 00:09:06:16  
of contraction, to the point in time  
supplies are going to be challenging.

00:09:06:27 - 00:09:09:02  
We're isolated here in Washington.

00:09:09:02 - 00:09:11:28  
It isn't like we're going  
to bring strawberries out of Idaho.

00:09:11:28 - 00:09:14:29  
It isn't like  
we can just go to the neighboring state

00:09:14:29 - 00:09:16:23  
to the west and get produce.

00:09:16:23 - 00:09:20:15  
We sit here on the edge of the Pacific,  
and it's a long ways east

00:09:20:15 - 00:09:24:14  
before we have a lot of the other things  
that we need in our grocery stores.

00:09:25:03 - 00:09:26:17  
Did I hear the word crisis?

00:09:26:17 - 00:09:28:21  
I know that word gets thrown out a lot.

00:09:28:21 - 00:09:31:20  
I mean, even a Democrat  
say that this food desert

00:09:31:20 - 00:09:34:22  
situation is a near crisis,  
if not a crisis.

00:09:34:25 - 00:09:36:20  
The thing about when you're  
talking about the food desert

00:09:36:20 - 00:09:40:25

is they're looking at a very small part  
of the real of the big problem.

00:09:40:25 - 00:09:46:03

They lost some grocery stores in in kind  
of the central urban part of Washington.

00:09:46:03 - 00:09:48:02

And they think is that's a crisis.

00:09:48:02 - 00:09:50:10

That's a problem, certainly.

00:09:50:10 - 00:09:53:08

But to put it in perspective, it's  
just a small part of the problem

00:09:53:08 - 00:09:54:07

we see in the state.

00:09:54:07 - 00:09:57:12

And I don't think a lot of folks,  
especially again on the West Side,

00:09:58:03 - 00:10:01:18

at least in the central Puget Sound  
official, understand

00:10:01:25 - 00:10:04:27

what a large segment of our economy  
farming is.

00:10:04:27 - 00:10:07:04

And we have so many different types  
of farming.

00:10:07:04 - 00:10:07:29

Ron can explain that better than me.

00:10:07:29 - 00:10:12:03

There are 200 hundred different crops  
to grow in the state in excess of?

00:10:12:12 - 00:10:16:03

And the reality some of those aren't growing anywhere to the east of us?

00:10:16:10 - 00:10:18:20

We are a very unique climate.

00:10:18:20 - 00:10:22:25

Yes, California is actually doing better, but they have much longer growing season.

00:10:23:07 - 00:10:24:24

But truth matters, even

00:10:24:24 - 00:10:28:11

our grocery chains have merged because they've gone bankrupt.

00:10:28:19 - 00:10:32:09

Albertsons took over Safeway and they took over Haagens.

00:10:32:13 - 00:10:36:07

So what we have is all underneath that Albertsons flag now,

00:10:36:12 - 00:10:39:12

and it isn't because they were making so much money they did that.

00:10:39:19 - 00:10:41:12

It was because they were in trouble.

00:10:41:12 - 00:10:44:04

And we've talked and heard about other mergers in the state,

00:10:44:04 - 00:10:45:25

put a kibosh on that.

00:10:45:25 - 00:10:50:28

But the truth of the matter is, is that it the grocery chains, the distributors

00:10:50:28 - 00:10:54:16

and the farmers have all been suffering  
under this

00:10:54:16 - 00:10:58:10

climate of contracting margins  
that point in time.

00:10:58:16 - 00:10:59:29

Eventually they can't take it.

00:10:59:29 - 00:11:04:16

And when they fold, it's going to be  
disastrous for our for our food supply.

00:11:05:07 - 00:11:07:14

You talked about taxes  
is one thing you could do.

00:11:07:14 - 00:11:10:12

A fuel prices is something  
I've heard over and over and again

00:11:10:12 - 00:11:14:20

we don't get charged the Carbon Commitment  
Act on the farm or in the first trip,

00:11:14:28 - 00:11:19:28

but still, diesel's \$4 a gallon right now  
at the at the gas station.

00:11:20:04 - 00:11:22:06

You take \$0.74 off from that.

00:11:22:06 - 00:11:24:23

Well, then it's still 325.

00:11:24:23 - 00:11:26:09

And the truth of the matter is,

00:11:26:09 - 00:11:30:11

is that still a high price to pay  
for all this transportation?

00:11:30:15 - 00:11:34:17

And it takes transportation to get it  
from the field to the plant to the

00:11:34:27 - 00:11:39:16

to the storage, to the distribution  
center, to the grocery store.

00:11:39:17 - 00:11:43:24

Each one of those trips requires  
petroleum, unless we all start growing it

00:11:43:24 - 00:11:48:08

in our backyard, which isn't feasible  
because our growing season is short here.

00:11:48:22 - 00:11:51:20

This this adds to the cost of food.

00:11:51:20 - 00:11:54:06

Yeah, there's no getting around  
what the Climate Commitment

00:11:54:06 - 00:11:57:15

Act and are, you know, we have the third  
highest gas tax in the nation.

00:11:57:15 - 00:11:58:11

On top of that,

00:11:58:11 - 00:12:01:11

there's no getting around what that does  
to our our cost of living here.

00:12:01:15 - 00:12:04:15

Everything that we buy,  
whether it's food or other goods,

00:12:04:15 - 00:12:06:24

you know, comes  
through the transportation system.

00:12:06:24 - 00:12:09:14

And as it's run said,  
sometimes that's once or twice.

00:12:09:14 - 00:12:10:28  
Sometimes it can be 4 or 5 times.

00:12:10:28 - 00:12:14:00  
Each time you're adding additional costs  
from transportation.

00:12:14:00 - 00:12:18:03  
Ours is measurably more expensive than any  
almost anywhere else in the country.

00:12:18:03 - 00:12:21:00  
I mentioned fuel.  
But labor is got to be the biggest.

00:12:21:00 - 00:12:22:16  
Oh, we have the highest minimum.

00:12:22:16 - 00:12:25:18  
Well, it's not the highest second,  
highest minimum wage in the nation.

00:12:25:26 - 00:12:29:14  
And on top of that,  
I mean, we don't, on the farm

00:12:29:14 - 00:12:33:04  
and in our grocery store,  
we we don't pay a minimum wage.

00:12:33:04 - 00:12:35:18  
You got to pay more than that  
to have people working.

00:12:35:18 - 00:12:38:16  
Our unemployment is at a record low.

00:12:38:16 - 00:12:42:25  
And so we're scrambling all the time  
to find people to fill that.

00:12:42:25 - 00:12:46:02

And in the field,  
I mean, we talk about H-2a,

00:12:46:02 - 00:12:49:02

but they still struggle  
to get enough H-2a workers.

00:12:49:05 - 00:12:52:12

And we don't have the the migrant labor  
that we used to have.

00:12:52:17 - 00:12:52:28

Part of.

00:12:52:28 - 00:12:54:16

That's due to the fact we know a lot.

00:12:54:16 - 00:12:57:09

We have an overtime law for agriculture.

00:12:57:09 - 00:13:00:24

So they can't work  
the hours that they used to

00:13:00:24 - 00:13:04:11

in a 3 or 4 month period  
and then go back to where they came from.

00:13:04:11 - 00:13:06:25

That was that was our model  
and they loved it.

00:13:06:25 - 00:13:11:07

They could accumulate a bunch of cash,  
go back to Mexico or wherever,

00:13:11:15 - 00:13:14:09

and have the rest of the year  
to work on their own farm.

00:13:14:09 - 00:13:16:24

But that is no longer the case.

00:13:16:24 - 00:13:18:11

It seems like something  
out of whack, though,

00:13:18:11 - 00:13:21:14

because people are saying  
that they can't afford the food prices.

00:13:21:18 - 00:13:22:23

They may be making more.

00:13:22:23 - 00:13:24:01

A higher minimum wage.

00:13:24:01 - 00:13:27:14

And like you said, most places  
pay more than minimum wage to get people,

00:13:27:14 - 00:13:31:21

but they still say, yeah, I can't afford  
even eat at McDonald's like I used to.

00:13:31:21 - 00:13:32:25

I've heard people say that.

00:13:32:25 - 00:13:35:13

So it seems like everything's  
a little out of whack.

00:13:35:13 - 00:13:37:15

here is. It's, it's pretty simple math.

00:13:37:15 - 00:13:41:15

I mean, when you start  
adding these costs on and and, okay,

00:13:41:15 - 00:13:45:29

you bring the minimum wage up,  
but that drives every other cost up.

00:13:45:29 - 00:13:49:00

Then you throw in fuel,  
you throw in all the other taxes

00:13:49:00 - 00:13:50:25  
being low and everything else.

00:13:50:25 - 00:13:52:08  
It's pretty simple math.

00:13:52:08 - 00:13:56:19  
You get to the point in time that  
everything is so extravagantly priced.

00:13:56:19 - 00:13:58:16  
It it's not affordable.

00:13:58:16 - 00:14:01:21  
when we talked about  
just getting a workforce here, the folks

00:14:01:21 - 00:14:04:24  
who would work the jobs, they just,  
you know, they they can do the math.

00:14:04:24 - 00:14:05:16  
Do they?

00:14:05:16 - 00:14:08:19  
You talked about the wages  
in, in the southeast so they can go there

00:14:08:19 - 00:14:12:20  
and, and make similar wages, but yet  
the cost of living is so much cheaper.

00:14:13:02 - 00:14:15:25  
It's cheaper because of the regulatory  
and the and all, you know,

00:14:15:25 - 00:14:18:15  
all the things we talked about,  
they're going to go there and then we're.

00:14:18:15 - 00:14:21:09  
And the problem starts to compound itself.

00:14:21:09 - 00:14:24:21

so taxes maybe looking at wages,

00:14:25:12 - 00:14:28:04  
food prices, it's taxes.

00:14:28:04 - 00:14:29:11  
It's labor costs.

00:14:29:11 - 00:14:32:17  
And I, I want to be clear in Washington,  
it's not just the cost.

00:14:32:22 - 00:14:36:14  
You know, the compensation  
which is driven by the minimum wage is Ron

00:14:36:14 - 00:14:39:17  
said, often, more often than not,  
we're paying well, you know, paying

00:14:39:17 - 00:14:44:28  
well above that just to get the,  
but it's also driven, by regulatory costs

00:14:44:28 - 00:14:48:04  
that, that are, you know, driving up,  
you know,

00:14:48:04 - 00:14:51:22  
and labor, even if you're not paying them  
all the cost of compliance.

00:14:51:22 - 00:14:55:23  
We've seen this in spades  
again, in in recent years where we've had,

00:14:56:02 - 00:14:59:20  
a push by the Democrats in the Labor  
and Commerce community to continue

00:14:59:20 - 00:15:04:02  
to add more  
and more requirements onto farm labor.

00:15:04:10 - 00:15:07:22

And it's it's not hard to figure out that  
that adds

00:15:08:01 - 00:15:10:06

adds cost compliance, adds cost.

00:15:10:06 - 00:15:13:06

So, and it is squeezed between

00:15:13:27 - 00:15:18:17

even with high wages, the cost of living,  
and then the compliance

00:15:18:17 - 00:15:22:27

cost, it's, it's,  
it's really putting a in particular.

00:15:22:27 - 00:15:26:11

But oh, how many industries here  
in the state of Washington under squeeze

00:15:26:11 - 00:15:29:11

and, and some are choosing to relocate.

00:15:29:14 - 00:15:32:12

In fact more and more  
we hear about that, you know, and so,

00:15:32:12 - 00:15:34:24

you know, sadly,  
if you're in Niagara manufacturing,

00:15:34:24 - 00:15:36:17

you can't just pick up  
and leave the state.

00:15:36:17 - 00:15:40:11

You're forced to try to make it work  
or eventually you end up not being able

00:15:40:11 - 00:15:41:14

to make the business go.

00:15:41:14 - 00:15:42:11

No they can't.

00:15:42:11 - 00:15:45:11

And there are bankruptcies,  
and there are those who just quit.

00:15:45:24 - 00:15:51:13

But I do have friends who are now farming  
and in central eastern Montana

00:15:51:13 - 00:15:56:19

and in Nebraska and in Tennessee,  
Oklahoma.

00:15:56:28 - 00:16:00:29

I've had a number of people  
who are just moving out and,

00:16:01:10 - 00:16:03:24

you know, we're sitting at home places  
go on the market

00:16:03:24 - 00:16:06:18

that have been in the family  
multiple generations

00:16:06:18 - 00:16:09:24

who have just decided  
it's not worth it to try to compete.

00:16:10:02 - 00:16:13:02

Oftentimes  
it's big money that comes in and buys it,

00:16:13:17 - 00:16:15:04

but they don't know how to farm.

00:16:15:04 - 00:16:18:29

And so, I told an environmental group,  
I said, you guys better figure out

00:16:18:29 - 00:16:20:29

what you're going to do

with all this land,

00:16:20:29 - 00:16:23:26

because there's going to be a lot of it  
that's not going to be farmed

00:16:23:26 - 00:16:25:19

if we don't change what we're doing here.

00:16:25:19 - 00:16:27:14

And a lot. Of these firms  
are in families, right.

00:16:27:14 - 00:16:31:07

And so each generation after generation  
answers all obviously this is.

00:16:31:13 - 00:16:35:17

We've got three generations on the farm,  
as we have had most of my life.

00:16:35:25 - 00:16:39:02

And, yeah, it isn't  
it isn't that we want to quit.

00:16:39:02 - 00:16:42:00

It isn't that we want to stop.  
We want to succeed.

00:16:42:00 - 00:16:45:00

We want to build a future for our kids  
and our grandkids.

00:16:45:03 - 00:16:47:14

But it's difficult under these conditions.

00:16:47:14 - 00:16:48:20

It's difficult.

00:16:48:20 - 00:16:50:29

And I, you know, it isn't.

00:16:50:29 - 00:16:52:13

I mean, the lack

00:16:53:12 - 00:16:54:10

the problem is,

00:16:54:10 - 00:16:57:23

is that farmland is only farmland  
if you've got the farmer on it.

00:16:57:26 - 00:17:01:18

And once that institutional  
knowledge is gone and it's unique

00:17:01:18 - 00:17:05:08

for each little area, once  
it's gone, it's gone.

00:17:05:10 - 00:17:08:06

It sounds like every part of the chain  
is hurting from the farm.

00:17:08:06 - 00:17:11:13

People have transportation  
people in the grocery stores.

00:17:11:14 - 00:17:14:16

This seems like the kind of message  
that would resonate with Democrats.

00:17:14:23 - 00:17:16:03

Why doesn't it?

00:17:16:03 - 00:17:17:17

I go back to what I said earlier.

00:17:17:17 - 00:17:19:12

We got,  
we've been talking about affordability

00:17:19:12 - 00:17:20:08

for several years,

00:17:20:08 - 00:17:23:21

and it's steadily got worse as they've  
added more taxes, more regulation,

00:17:23:21 - 00:17:27:23

more labor costs, down to this this year  
for the first time and all that time.

00:17:27:23 - 00:17:28:10

Now they're

00:17:28:10 - 00:17:30:07

they're saying affordability is a problem.  
You know,

00:17:30:07 - 00:17:33:11

they came out to me and said, hey,  
we're going to focus on affordability.

00:17:33:15 - 00:17:37:15

But then you go back and look at  
what's come out of the legislative process

00:17:37:15 - 00:17:39:19

so far. And we got I think we counted up.

00:17:39:19 - 00:17:42:23

There's like 72 taxes  
that are in play at this time.

00:17:42:23 - 00:17:44:25

Now I don't think they're all passed.  
That's unlikely.

00:17:44:25 - 00:17:46:02

But the idea that they,

00:17:46:02 - 00:17:46:10

you know,

00:17:46:10 - 00:17:48:05

there's 72 out there  
when they're trying to deal

00:17:48:05 - 00:17:52:08

with affordability and then you look  
at the the items that did make it out of,

00:17:52:18 - 00:17:55:16

you know, Senate Ways  
and Means a financial committee.

00:17:55:16 - 00:17:56:17

Just this week.

00:17:56:17 - 00:18:01:11

It's it's more taxes on goods  
people need every day or more regulation.

00:18:01:18 - 00:18:05:08

And you even you haven't even gotten  
to the additional regulation cost

00:18:05:08 - 00:18:05:28

on health care.

00:18:06:28 - 00:18:08:09

Everywhere you look,

00:18:08:09 - 00:18:11:15

they want to add more cost and then say  
we're going to deal with affordability.

00:18:11:26 - 00:18:13:16

It's like they don't understand the word.

00:18:13:16 - 00:18:15:22

I've heard of farmers that just don't.  
They have no health care.

00:18:15:22 - 00:18:17:20

They just risk it. A farmer  
think of all the.

00:18:17:20 - 00:18:19:05

Those are dangerous jobs.

00:18:19:05 - 00:18:22:05

it is high on the on the on the rate of,

00:18:22:15 - 00:18:25:06

of dismemberment, death and suicide.

00:18:25:06 - 00:18:27:04

Agriculture's up there.  
We need health care.

00:18:27:04 - 00:18:29:06

But it's extremely expensive.

00:18:29:06 - 00:18:33:18

But we had five different bills  
that would have taxed individual policies

00:18:33:18 - 00:18:34:27

and health insurance.

00:18:34:27 - 00:18:38:09

I mean, you are correct,  
Tracy, in the respect that it's like

00:18:38:09 - 00:18:39:13

they don't recognize.

00:18:39:13 - 00:18:44:00

But there go to  
is just to tax to tax to get more money.

00:18:44:03 - 00:18:47:11

But farmers are these rich  
I mean no no no.

00:18:47:14 - 00:18:49:14

But there's a disconnect.

00:18:49:14 - 00:18:51:24

There's a rural urban divide.

00:18:51:24 - 00:18:55:10

And when you live in town,  
like I say, you don't need a farmer.

00:18:55:10 - 00:18:56:28

You've got a grocery store.

00:18:56:28 - 00:18:57:16

Yeah.

00:18:57:16 - 00:19:01:13

Bottom line is, you cannot make, life more, you know, less expensive

00:19:01:13 - 00:19:03:17

by making it more expensive here in the state of Washington.

00:19:03:17 - 00:19:07:10

And they consistently make it more expensive with additional taxes,

00:19:07:10 - 00:19:10:19

additional regulation, additional requirements that are driving up the cost.

00:19:10:19 - 00:19:13:12

It just it fundamental logic doesn't work.

00:19:13:12 - 00:19:16:26

And and their notion that they can they can collect tax more tax money

00:19:16:26 - 00:19:19:20

and they'll spend it more wisely is just demonstrably false.

00:19:19:20 - 00:19:23:25

Is it is it is part of the problem because a lot of the Republican

00:19:23:25 - 00:19:26:25

districts are rural areas where the farming, farming happens

00:19:26:29 - 00:19:30:05

mostly predominantly in Republican districts.

00:19:30:21 - 00:19:34:18

I think generally, Tracy, it's

a misunderstanding of business.

00:19:34:18 - 00:19:37:12

The assumption is,  
is that if you're in business,

00:19:37:12 - 00:19:40:12

you got a great big vault of cash  
in your basement.

00:19:40:26 - 00:19:42:15

They aren't affecting anything else.

00:19:42:15 - 00:19:45:10

They're just wanting you to take  
a little more money out of that.

00:19:45:10 - 00:19:48:09

What they don't comprehend  
is, is that the vast majority of us

00:19:48:09 - 00:19:51:17

that are in business,  
whether it's in agriculture or

00:19:51:17 - 00:19:56:08

in homebuilding or whatever the case is,  
our money is tied up in things.

00:19:56:19 - 00:19:58:14

It's livestock, it's lumber.

00:19:58:14 - 00:20:01:05

It's the house that you're building  
to sell.

00:20:01:05 - 00:20:02:11

That's where our money is.

00:20:02:11 - 00:20:07:10

So when they come to us for actual cash,  
we don't have that vault in our

00:20:07:19 - 00:20:10:20

our basement, you know, Scrooge McDuck  
or whatever it was.

00:20:10:25 - 00:20:14:16

The reality is, is that all of a sudden,  
we have to try to find this cash

00:20:14:23 - 00:20:17:23

from our business, which is cash in tents.

00:20:17:24 - 00:20:19:22

I mean, our assets are in our business.

00:20:19:22 - 00:20:23:03

We've got to be able to pull that out  
in order to pay all these,

00:20:23:08 - 00:20:26:10

you know, taxes and on and on and on.

00:20:26:19 - 00:20:29:16

It isn't free and available  
like they imagine.

00:20:29:16 - 00:20:31:14

There's literally  
nobody on the other side of the aisle

00:20:31:14 - 00:20:34:14

that understands how business, you know,  
there are a few that say, oh, yeah,

00:20:34:15 - 00:20:35:23

well,  
I'm talking about my small businesses.

00:20:35:23 - 00:20:37:20

They're really more  
you actually talk to them.

00:20:37:20 - 00:20:40:02

They're talking about a small nonprofit

00:20:40:02 - 00:20:42:28

where there's them  
and maybe one other person.

00:20:42:28 - 00:20:44:13  
These are not the type of businesses.

00:20:44:13 - 00:20:46:25  
And I don't I'm not speaking  
any of their business.

00:20:46:25 - 00:20:48:18  
I'm just saying that gives them zero

00:20:48:18 - 00:20:52:20  
understanding of how any type  
of whether it's farming or manufacturing

00:20:52:20 - 00:20:56:24  
or even a lot of the service works  
where you have in long term contracts,

00:20:57:06 - 00:21:01:24  
all of the finances  
that go into making, complex either

00:21:01:24 - 00:21:05:17  
equipment intense or people  
intense, organizations go

00:21:05:17 - 00:21:07:25  
they don't understand it  
and they don't seem to have any

00:21:07:25 - 00:21:10:09  
real desire to want to understand it.  
They just want to make,

00:21:10:09 - 00:21:10:27  
you know, business.

00:21:10:27 - 00:21:13:06  
The boogeyman and asked for more taxes.

00:21:13:06 - 00:21:15:18

You said something in committee  
the other day that I thought

00:21:15:18 - 00:21:16:09  
was interesting.

00:21:16:09 - 00:21:18:20  
Your company,  
Senator Braun, sells to governments.

00:21:18:20 - 00:21:20:25  
And you said the governments  
that used to buy our stuff,

00:21:20:25 - 00:21:22:12  
progressive governments like Seattle.

00:21:22:12 - 00:21:24:14  
Now they're buying from states,  
other states

00:21:24:14 - 00:21:26:29  
and companies of other states  
because. yeah, it's.

00:21:26:29 - 00:21:28:05  
there's a certain amount of hypocrisy.

00:21:28:05 - 00:21:29:01  
They're here.

00:21:29:01 - 00:21:31:13  
Deal with this tax, deal  
with these regulatory issues.

00:21:31:13 - 00:21:33:09  
Deal with this labor cost.

00:21:33:09 - 00:21:35:07  
By the way, you know,

00:21:35:07 - 00:21:38:17  
we're going to we're going to find  
a, a less expensive place to buy in.

00:21:38:17 - 00:21:42:09

And, in a generally a red state  
and often a right to work

00:21:42:09 - 00:21:43:28

state somewhere else in the country.

00:21:43:28 - 00:21:46:28

It's it's a little shocking to see their,

00:21:47:05 - 00:21:49:29

their level of hypocrisy in these,  
some of these decisions.

00:21:49:29 - 00:21:51:29

And we see the same thing in agriculture.

00:21:51:29 - 00:21:53:25

Oh yeah. You have to have these labor  
standards.

00:21:53:25 - 00:21:57:04

You have to have these environmental  
standards after of all these things.

00:21:57:19 - 00:22:00:22

But when they go to the grocery store,  
they go to the cheaper product,

00:22:00:22 - 00:22:03:13

which is coming from a state  
that has lower costs.

00:22:03:13 - 00:22:07:27

And and that's our model  
is in our grocery store to sell local,

00:22:08:07 - 00:22:11:15

all of these warm and fuzzy things,  
which they are,

00:22:11:23 - 00:22:15:10

but we only, service

a small percentage of the public.

00:22:15:11 - 00:22:19:05

Everybody else is going to Walmart  
and picking up or Costco

00:22:19:05 - 00:22:22:10

and picking up these cheap products  
that are coming from out of state.

00:22:22:19 - 00:22:25:09

Or out of the country or.  
Out of the country.

00:22:25:09 - 00:22:30:00

It's tough to compete with Mexico  
and Central America and even South America

00:22:30:08 - 00:22:34:21

when their labor costs are just so insane  
compared to ours.

00:22:35:10 - 00:22:36:27

That's really illuminating stuff.

00:22:36:27 - 00:22:40:13

I appreciate you both being here for The  
Elephant in the Dome, the official podcast

00:22:40:25 - 00:22:43:25

of the Washington State Senate  
Republican Caucus.

00:22:44:03 - 00:22:45:00

Kiss, kiss.