

# A bumpy ride ahead?

## The year ahead could turn out to be a defining one, both economically and politically.

The perception around the state and nation is that we are a people divided. We are urban and rural. We are conservative and liberal. And we are using social media as a tool for derision and conflict.

We certainly have a hard time tuning out all the noise. I used to complain about cat videos on my Facebook feed. Those were the days. Now I see untethered tripe from a number of friends who feel compelled to broadcast every feeling (rational or not).

This is the world we live in.

Sometimes we forget that America has always had these dividing lines. We are no more polarized than other transitional eras in our history. Imagine what the social media environment would have been like during the Civil War, or two world wars, or the Civil Rights movement, or even during Watergate, which brought down a presidency!

These transitions in our nation are natural and necessary, and 2019 could be one of those years. Storm clouds of economic recession are looming on the horizon. The industry has strong markets and elite plants, but sales can be impacted by a downturn. We must be ready for it.

The association is hard at work to make sure all members have the ability to grow and sell plants and make the year ahead a success.

### Revvng up the presidential election cycle

No matter your individual opinion of President Trump and his policies, the 2020 race for the White House will no doubt be a knockdown, drag-out spectacle. It will involve serious issues that are sure to impact the nursery, retail and greenhouse sectors of our state.

The vitriolic rhetoric on labor and immigration will get nasty. The U.S. House of Representatives will transfer control from Republicans to Democrats while the Senate remains in Republican control. Any meaningful immigration reform package will be hostage to each party feeding the extremes of their base, leaving reason and a balanced effort — once again — in the political ditch.

International trade is another big issue that impacts the nursery industry. Fair trade

deals should be embraced. By and large, the North American Free Trade Agreement (NAFTA) has provided stability for markets in Canada and Mexico.

Instead of strengthening relationships and enabling the movement of goods across borders, the trade policies of this administration have been corrosive and unpredictable. These policies inevitably lead to trade wars where all sides lose. The current tariff policy thus far is acting as a sales tax on green goods and is not a good long-term solution.

The news is not all bad. U.S. Rep. Peter DeFazio (D-Oregon), who received an OAN Friend of Nurseries award in 2018, will likely become chairman of the powerful House Transportation and Infrastructure Committee. This committee sets the priorities for federal highways and transit, water resources and economic development.

Water and transportation are two priorities for the OAN's federal agenda in 2019. The OAN is working hard to obtain water allocations through the U.S. Army Corps of Engineers' 13 dams through the Willamette River Basin (many nurseries are in this basin). Rep. DeFazio could have a significant impact on the last unallocated water in the Willamette Valley and the future of agricultural production.

### A darker shade of blue

The Oregon electorate has become more and more Democratic for the better part of three decades. The state's most recent Republican governor, Vic Atiyeh, left office 32 years ago. In 2019, Oregon will once again have a Democratic governor, along with Democratic supermajorities in both chambers of the legislature.

Holding three-fifths (60 percent) of the seats will allow Democrats to pass tax-raising measures without any Republican votes. We could see increased taxes on businesses while the state grapples with revenue shortfalls, the need to fund education, the cost of Medicaid reimbursements, and the state's unfunded obligations to the Public Employee Retirement System (PERS).

The tough part is that these state budget problems are structural in nature. Picture a bathtub with the spigot (representing revenue) going full bore. However, the tub has two six-inch drains called Medicaid and



Jeff Stone  
OAN EXECUTIVE DIRECTOR

PERS, so the tub never fills.

Until those issues are resolved, the state will chase dollars endlessly.

Here we see the value of having a strong association with exceptional volunteer leaders and a seasoned team of lobbyists to hit issues straight on. The OAN is issue-oriented and operates in a strong bipartisan manner. We can engage in meaningful solutions to the problems facing the industry and state, making a difference in the outcomes.

The nursery industry is not just a leading voice on climate change, but also a solution. We know that plants and trees can store carbon and keep the environment healthy.

In 2019, the OAN's lobbying effort will be focused and comprehensive. Our legislative agenda addresses the issues of labor, water and the environment, transportation, and the need to adequately fund state agencies that serve the membership. We are in a good position to advance industry priorities. We will work hard to make sure harmful legislation is modified or defeated.

### Lend your voice and get engaged

Within our membership, you will hear a number of opinions on any one issue facing our industry. That is a strength. The OAN is not a Democratic or Republican organization — it is a voice of reason and a provider of solutions.

With all that is happening on the national and state landscape, lending your voice to the debate is critical. As our mission statement indicates, "The OAN is the community dedicated to the long-term success, profitability, and excellence of Oregon's nursery and greenhouse industry." To us, these aren't just words but guidance as well as a commitment. They represent what the association does for you, the member, every day. ☺