



October 7, 2026

The Honorable Katie Hobbs
1700 W. Washington St.
Phoenix, AZ 85007

Dear Governor Hobbs

The undersigned organizations represent Arizona's agricultural industry, including our vineyards, orchards, fields, dairies, ranches, packing houses, nurseries, and processors. Arizona grows more than 300 different commodities, making it one of the most diverse agricultural states in the nation.

As you have often noted, Arizona is one of the nation's largest ag-producing states, especially during the winter. We literally feed the nation and world.

Arizona's agricultural industry is feeling the continued pressure of rising input costs. Arizona is no stranger to losing productive agricultural acres, as we have seen a decline in the number of farms. Arizona's ag industry is facing a perfect storm of challenges, including water shortages, regulatory burdens, labor costs, rising fuel prices, and freight expenses.

We are asking for your help. Specifically, we are asking you to issue an executive order temporarily allowing the agricultural industry to use red-dyed diesel fuel on-highway through the end of the year to transport product and

equipment from farm to farm and commodities from the field to the point of processing.

The price of diesel fuel in Arizona has become unbearable and continues to be above the national average – nearly \$0.50 above. In many places in Arizona, diesel fuel is currently selling for more than \$6.50 per gallon.

Our producers not only feel the impact of purchasing diesel but are also faced with diesel surcharges passed on by any entities providing service to the farm.

Other agricultural states have recognized the need to lower diesel prices. Alabama, Arkansas, Georgia, Indiana, Louisiana, Nebraska, South Dakota, and Texas have acted already. The governors in other agricultural states are also considering taking much-needed action.

Additionally, with federal action to remove the restriction for federal excise taxes, a corresponding reduction in state excise taxes would provide meaningful relief to our industry which, as described above, is in the midst of a perfect storm of rising input costs that is making it hard for agriculture to remain viable.

We appreciate your consideration of this situation and of our request. We are available to answer any questions you may have and assist your administration in any way.

Please issue an executive order as described above at your earliest convenience.

Sincerely,

Robert Medler
Director, External & State Affairs
Western Growers

Craig Caballero
Chief Executive Officer
United Dairymen of Arizona

Tim Cooley
President
Arizona Cattle Feeders Association

Stephanie Knight-Dubien
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Patrick Bray
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Arizona Farm & Ranch

Cassy England
President
Arizona Cotton Growers Association

John Boelts
President
Arizona Farm Bureau

Cheryl Goar Koury
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Arizona Nursery Association

Mike Pasquinelli
President
Yuma Fresh Vegetable Association