

MINUTES  
**SENATE AGRICULTURAL AFFAIRS COMMITTEE**

- DATE:** Thursday, February 23, 2012
- TIME:** 8:00 A.M.
- PLACE:** Room WW53
- MEMBERS PRESENT:** Chairman Siddoway, Vice Chairman Smyser, Senators Corder, Hammond, Vick, Nuxoll, Bock, and Schmidt
- ABSENT/ EXCUSED:** Senator Pearce
- NOTE:** The sign-in sheet, testimonies, and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.
- CALL TO ORDER** **Chairman Siddoway** called the meeting to order at 8:02 a.m.
- INTRODUCTION** **Chairman Siddoway** welcomed **Rick Waitley** and the Leadership Idaho Agriculture class to the Committee. **Mr. Waitley** said he was pleased to have the thirty students of "Class 32" visiting the Legislature, after going all around the state learning about a variety of agriculture issues. **Chairman Siddoway** thanked them for being here and said he looks forward to their leadership in the agriculture arena. The list of participants in Leadership Idaho Agriculture has been archived and is accessible in the office of the Committee Secretary. (See Attachment #1.)
- MINUTES** The Committee considered the minutes of the Agricultural Affairs Committee meeting of February 16, 2012. **Senator Corder** moved, seconded by **Senator Hammond**, to approve the minutes as written. Motion carried by **voice vote**.
- PRESENTATION** **Chairman Siddoway** welcomed **Dr. Karen Launchbaugh**, Professor of Range Resources, University of Idaho, to the podium to share a report on the College of Natural Resources and the new University of Idaho Rangeland Center.
- Following are a few highlights from **Dr. Launchbaugh's** report. She shared that the University of Idaho is unique in creating the Rangeland Center, as no other college or university in the nation is combining resources and departments like this. Nine programs and departments and 23 faculty members are working together to develop the Center. **Dr. Launchbaugh** said what makes it special is it is "not a building," but rather "a network of people" who have a common interest to advance the understanding of rangelands. There are also opportunities for students to participate, as they created a Rangeland Intern Program, so students may learn as they go and earn money for school, which **Dr. Launchbaugh** called a win-win. The Center's mission is Science and Solutions for the Range. Supporting documents related to **Dr. Launchbaugh's** presentation have been archived and are accessible in the office of the Committee Secretary. (See Attachments #2 and #3.)
- Senator Vick** said he appreciated **Dr. Launchbaugh's** enthusiasm and asked her how the bill the legislature passed will help since the Center is up and running. **Dr. Launchbaugh** answered the bill gives them a level of stability beyond what the college is doing. It helps them address their top priority issues, which include fire in rangeland ecosystems, grazing in fire, and the role of invasive species, noting the combination of those is huge. They are also looking at development of watershed health and energy resources. They plan a symposium to educate themselves.
- Senator Schmidt** asked for a better understanding of how everyone communicates and cooperates, given how everyone is so spread out and the diffuse nature of the range in Idaho, especially since there is not a building for the Center.

**Dr. Launchbaugh** shared that of the 23 people connected to the Center, half are off campus in places like Twin Falls, Boise, Caldwell, and Salmon, and the other half are on campus. She said the Center needs vehicles so collaborators can meet on the range, but they are investing in human relationships and energy. **Chairman Siddoway** said he'd lend his support however he can.

**Chairman Siddoway** invited **Dr. John Hammel**, Dean of the University of Idaho, College of Agriculture and Life Sciences (CALs), to the podium for a presentation. **Dean Hammel** commented that he is supportive at the Deans level for the Rangeland Center, and bringing everyone under one center will be appropriate for the state and give them strength. He then thanked the Committee for the past support and the FY12 level budget for the agriculture research and extension program.

Following are some highlights of **Dean Hammel's** presentation. He said agriculture's impact on the state is huge with 150 commodities. Farm tax receipts had a record year, with \$7.4 billion. Of that, potatoes are \$912 million and wheat \$766 million and hay moved up considerably, too. He said eleven percent of jobs in Idaho have ties to agriculture, as do eighteen percent of Idaho's economic base sales. **Dean Hammel** stated agriculture contributes to twelve percent of Idaho's GSP.

**Dean Hammel** went on to describe some of the contributions of Agriculture Research and Extension Service (ARES) to the state of Idaho. He shared that a 2005 Science article said that by 2050, the global population will be up another nine to ten billion, so food production will need to be twice what it is now. He showed how Idaho potato, wheat and bean crops could fit into that picture and why research on threats to those crops is so important.

Financially, he said ARES is providing a good return on investment in that for every dollar that is appropriated, they generate another \$1.80. Their biggest need right now is the personnel cost, and their need to retain their "crop" of scientists that have been hired and doing tremendous work. He said, "They are our future." **Dean Hammel** said another consideration is the infrastructure, given that much of the equipment they use is more than 20 years old, some as old as 50 years. That makes it difficult when the expectation is for cutting edge technology for better research. Also, they are building partnerships and collaboration with other Universities, especially Washington State and Oregon State, since they have similar landscapes. **Dean Hammel** stated that as the economy moves forward, he asks the State to help with funding these needs, and they pledge to use those dollars wisely. Supporting documents from this testimony has been archived and is accessible in the office of the Committee Secretary. (See Attachment #4.)

**Senator Nuxoll** asked if the 15 percent figure for households in the income and GSP slides takes into account Social Security Unemployment. **Dean Hammel** said it probably does, but he would look into it and get back to her.

**Vice Chairman Smyser** asked where **Dean Hammel** sees the focus, comparing ten years ago to ten years in the future. He replied that in the past, and currently, considerable amounts of money focused on contaminants. They are facing increasing policy issues on rangeland and agriculture land with chemicals for water quality and the impact it has on species and the environment as a whole.

He said going forward, they are monitoring global changes, and will put dollars toward increasing nutritional value of food, increasing yields, and marketability. With more land going to residential uses, instead of ag, they need to breed new varieties of crops.

**Dean Hammel** said some of these areas are not funded through federal agencies, and that's why this appropriation is so important, because the environment will always be key, to provide the health of products and commodities. He added other issues will be biofuels, food value, and what is in the food.

**Senator Schmidt** asked if funds can be shifted to be used for infrastructure. **Dean Hammel** said they lost 80 to 90 full time equivalent positions through attrition and layoffs in the past two years. They made the move that required researchers to put half of their technical support salaries as non appropriated funds, but instead funded through grants. Commodity commissions help where they can, and they do try and get matching grants to help as well. He said it is very important to protect the staff.

**Senator Corder** commented on the risk of having many researchers having half their salaries paid for by outside sources that the university has no control over, and that the State gets criticism for not funding education well enough. He said it seems there is a risk to the public sector and to the teaching side. **Dean Hammel** replied that some felt they should do it that way, others felt they should not, because there are good faculty that they want to keep. When there are good people, other universities will recruit them away. **Dean Hammel** said he is against the pay to play mentality.

**Senator Corder** asked about the different ways of obtaining funding, how much less does the college have and how does that shift things for some projects that are maybe now unfunded.

**Dean Hammel** said the expectation by himself and others certainly is not 100 percent funding from the State. They work with industry to build partnerships. They have a great relationship with USDA ag research service and locations, so there is no risk to those currently. Some facilities around the nation have been closed, and one of the nearby Washington State units is on the list frequently, but hasn't been shut down yet. Other programs, like the tri-state potato program, get a certain amount of funding that gets split among states, and that money is now gone. So since the people are already in place and the potato industry is so important to Idaho, the question becomes how to put those dollars back, generate new resources or have resources reallocated from another program.

**Senator Corder** commented that the barley growers were in Committee recently and they were saying ARES has funded research, but has not funded any operational dollars, so the Idaho Barley Commission may ask to increase their assessment to cover that, so they might have to ask University of Idaho to replicate that research, and if they don't, there is an implication that maybe there is not enough attention paid to the risk to the industry.

**Dean Hammel** said one area he has worried about is by the time things shift, there will be somewhere between a five and ten percent reduction in dollars. He said he hopes that does not happen. He said "non-ag" people say "ag" people should be funding their own things, but, he pointed out, looking at the charts in this presentation, commodities make jobs and bring new dollars back to the state. So, the benefit to this state of ag research is a benefit way beyond what the producers put in. Any money put in is a benefit to the whole state.

**Chairman Siddoway** asked with the Governor's proposal for IGEMS to go out and work with the universities to do some startups, does the University have any ideas or proposals for getting some of that money. **Dean Hammel** replied that it seems to be a little early in the game still, but they would like to enhance the position of the cereal program and another position they could use to support ag production and rangeland. **Chairman Siddoway** thanked him for his time and for the research and extension efforts.

**PRESENTATION** **Chairman Siddoway** invited **Tracy Bracco**, Idaho Beef Council Executive Director, to the podium for her presentation of their annual report. **Ms. Bracco** shared how the Idaho Beef Council is the marketing arm for the beef producers of Idaho and offered some insight on how they are increasing the opportunity for producer profitability, including with social media, a new television commercial, and cowboy cookouts, as well as youth programs to educate the future beef consumers. Supporting documents related to **Ms. Bracco's** presentation have been archived and are accessible in the office of the Committee Secretary. (See Attachments #5 and #6.)

**Vice Chairman Smyser** told **Ms. Bracco** that she was impressed with what amazing things they do with such a little amount of money.

**Senator Schmidt** asked when Idaho exports beef, is it processed here first or exported live. **Ms. Bracco** replied it is processed first, but with the closure of Nampa's beef processing plant, it has to be transported to other pacific northwest or Utah packing plants. **Chairman Siddoway** thanked her for being here and for her efforts on the Beef Council.

**ADJOURNED** **Chairman Siddoway** called the meeting adjourned at 9:31 a.m.

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Senator Siddoway  
Chairman

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Christy Stansell  
Secretary