

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 07, 2013

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Bair, Vice Chairman Guthrie, Senators Brackett, Tippetts, Rice, Nonini, Patrick, Durst and Buckner-Webb

**ABSENT/
EXCUSED:**

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.

CONVENED: **Chairman Bair** called the meeting to order at 8:02 a.m.

MINUTES: The committee reviewed the minutes from January 22, 2013.

MOTION: **Senator Patrick** moved to approve the minutes of January 22, 2013. The motion was seconded by **Senator Tippetts**. The motion carried by **voice vote**.

WELCOME: **Chairman Bair** introduced students from Brigham Young University, Idaho who are involved in Agriculture Economics or Agriculture Business, and Beacon County Commissioner Bair (brother) of Blackfoot, Idaho.

PRESENTATION: **Chairman Bair** introduced Patrick Kole, Idaho Potato Commission (Commission), to present Potato Pale Cyst Nematode (PCN). **Mr. Kole** stated that the Pale Cyst Nematode issue has been complex, persistent and very serious to the potato industry. Fifty years ago Idaho was not the potato producing state in the United States that it is today. Idaho has achieved that status over an extended twenty-year period because of their consistent quality.

The Commission was created seventy-five years ago and receives no general funds; all funds come from the industry or grants. The industry supports over 30,000 jobs with revenue of \$4 billion. In 2006 the Commission discovered PCN in some fields and began working with the United States Department of Agriculture (USDA) to eradicate and limit the infestation. The decision made by all of the regulatory agencies around the world classifies PCN as a quarantine pest and can stay in the soil for up to thirty-five years. One cyst staying in a field can reinfest that field.

Over 500,000 samples have been taken and all the infested fields have been found within a five mile radius. Of approximately 14,000 acres that are regulated, only 2,000 of over a million potato raising acres, are infested; over 36,000 acres have been released; and five of the nine fields show no detectable viable cyst left in the field. They are developing new chemicals to fight the infestation, as well as non-chemical methods and continue to work on other avenues of eradication.

The Potato Industry has spent over \$1 million fighting PCN and has obtained another \$1 million in federal grants. The Commission asked the Division of Financial Management for funds for the University of Idaho, Agriculture Department, to accelerate the research and to make sure that Idaho can carry out its responsibilities in the PCN Program.

Supporting documents related to Mr. Kole' presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 7)

Brian Marschman, United States Department of Agriculture (USDA), stated once they found the fields that were infested the group set up an ambitious program to make sure the infestation was contained using aggressive sanitation. PCN had previously gone undetected in the U.S. No where in the world, where PCN exists, have they launched an eradication approach of this magnitude so they have no guidelines to reference. They have taken their trading partners over the data and there is consensus in that the efforts to sanitize and eradication do not pose a risk to the potatoes that they are importing into their countries. They have been able to open up all the markets with exception of Japan; which has to do with politics more than science. The cooperative PCN Program has expended \$53 million federal dollars with the eradication effort being the most expensive portion. Spraying of methyl bromide and telone II biofumigants have assisted in the eradication. Samples taken prior to the first treatment and additional samples collected after every application were done. The viability reduction measurements were over 95 percent, and the second year 99 percent. One field has completed the three assessments and cleared bioassay.

Mr. Marschman explained the regulatory framework that is being used by USDA and how it differs from Idaho State Department of Agriculture (ISDA). The collaboration between the two agencies has evolved into a very complimentary regulatory framework. USDA controls interstate movement while the ISDA handles the grower agreements along with the temporary lab that created at the programs inception. After the USDA releases a field, ISDA would come back after a potato crop and do another survey. Together, they have progressed from the old protocol and have chosen to go above and beyond what has been required.

Supporting documents related to Mr. Marschman's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 8)

Lloyd Knight, Administrator, Division of Plant Industries, ISDA, advised there are three areas that draw the authority for their department's activities: a) Idaho Plant Pest Act - Title 22, Chapter 20, Idaho Code; b) Rules Governing the Pale Cyst Nematode - IDAPA 20.06.10; and c) ISDA/USDA Memorandum of Understanding (MOU) for Cooperative Enforcement. Their primary regulatory activities since the start of the PCN program beginning in 2006 mimic the federal regulations. There are state responsibilities with federally regulated pests that the ISDA must adhere to. Cooperative enforcement with the USDA concerning cases that deal with interstate movement come to the ISDA for review. The post regulatory monitoring for PCN of approximately 15,000 acres plus 2,500 acres monitored from 2011 to 2013 are due to be released from the program this spring. Their department is the pass-through of the federal funds to landowners for infested field treatment preparation. The funding received to run the lab function for PCN is from a federal grant. Emergency funds are supporting the ongoing eradication under the PCN Program.

Supporting documents related to t Mr. Knight' presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 9)

Dr. McCary , Department of Economics, Brigham Young University, explained that the student groups will present the economic issues associated with PCN within the potato industry and what would happen if the potato acreage was totally removed from production and how that would affect the overall agriculture industry in the state. **Kenny Long** and **Tanner Wahlen** spoke to the financial impact of the 2,000 acres that have been taken out of production from 2006 to present. The revenue loss is calculated at \$4.4 million. Potatoes are number one in the state for value of production. From 2011 to present, the average revenue from potatoes has been over \$2,000 per acre and is higher when compared to other commodities produced. If potatoes were eliminated due to PCN, a substitute commodity would not bring in the same amount of revenue.

Mandy Kilburn and **Ladd Wahlen** advised that they made the assumption in their calculations that the acreage contaminated with PCN had been removed from production. They used the values based on 2008 state economic statistics in the IMPLAN program to present annual labor income loss due to PCN. **Ms. Kilburn** and **Mr. Wahlen** explained their calculations with charts and graphs.

Supporting documents related to Brigham Young student's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 10)

PRESENTATION: **Chairman Bair** introduced **Linda Lemmon**, Secretary and Treasurer, Idaho Aquaculture Commission (IAC), who stated that the Idaho Aquaculture Association was formed thirty years ago and includes producers, processors, and suppliers. In 2004 they created the IAC specifically for marketing. In their marketing studies they found that 50 percent of all fish consumed in the world are raised in aquaculture, they are not wild caught. Asia raises 89 percent of all farm fish, only 1 percent of the world's aquaculture products are raised in the United States (U.S.); 91 percent of the fish consumed in the U.S. are imported. Per capita consumption for 2011 is 15 pounds per person. There are currently twenty-five farmers with the assessment in the amount of \$28,000. These funds have been spent on promotional materials, a website and social media to help them reach a larger audience. The aquaculture industry is located in Hagerman, Idaho, as it has the largest concentration of water found in the U.S. with the constant temperature that is perfect for production. Idaho is the number one trout producing state in the nation and 73 percent of the trout consumed last year came from Idaho. Catfish, tilapia and trout are three of the four species raised in Idaho. **Ms. Lemmon** stood for questions.

Supporting documents related to Ms. Lemmon have been archived and can be accessed in the office of the Committee Secretary. (See attachment 11)

ADJOURNED: **Chairman Bair** adjourned the meeting at 9:39 a.m.

Senator Bair
Chairman

Denise McNeil
Secretary