

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** Tuesday, February 26, 2013
- TIME:** 8:00 A.M.
- PLACE:** Room WW53
- MEMBERS PRESENT:** Chairman Bair, Vice Chairman Guthrie, Senators Brackett, Tippetts, Rice, Nonini, Patrick and Buckner-Webb
- ABSENT/ EXCUSED:** Senator Durst
- 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. He thanked the commissions for attending and for the gifts.
- MINUTES:** The committee reviewed the minutes from February 7, 2013 and February 14, 2013.
- MOTION:** **Senator Nonini** moved to approve the minutes from February 7, 2013. **Vice Chairman Guthrie** seconded the motion. The motion carried by **voice vote**.
- MOTION:** **Senator Buckner-Webb** moved to approve the minutes from February 14, 2013. **Senator Patrick** seconded the motion. The motion carried by **voice vote**
- PRESENTATION:** **Chairman Bair** introduced Candi Fitch, who is the Executive Director for the Idaho Apple Commission, the Idaho Cherry Commission, the Idaho-East Oregon Onion Committee and the Idaho-Oregon Fruit and Vegetable Association. She thanked the committee for the opportunity to present. Her presentations included brief overviews as well as the annual reports. She also presented the committee with apples and a stuffed onion doll.
- Ms. Fitch** began with the report on the Apple Commission. The 2012-2013 six-month financial and 2013-2014 proposed budget was presented to the committee. This was a positive year, a "supply and demand" situation due to the freeze in Michigan and Canada. Michigan ended up with ten percent total crop. New York was down and had a sixty percent crop. Mexico also had a smaller crop. Washington came in with the biggest crop ever and helped even out the supply. Prices were up about \$2 a box over last year.
- The Apple Commission is a member in various national and local associations. There are members and past members that sit on the national and regional boards of the Northwest Fruit Exporters and Northwest Horticultural Council. Both associations were instrumental in allowing Idaho to ship apples into Mexico, who has a very stringent program. Idaho is one of the few states allowed to export to them.
- The commission received two specialty crop grants from the Idaho State Department of Agriculture (ISDA). In 2009, they received a grant for \$93,000, \$20,000 cash match, and was used for increasing fruit quality and global competitiveness of Idaho apples. This was completed this year and their requested extension was not granted. In 2011, they received \$104,388, with an in-kind match of \$35,492, that is being used for maximizing production in fruit quality with Fuji apples. They are still working with that grant.

Ms. Fitch said they had an opportunity to participate in a national level program and received a grant for the Cool School Cafe brand loyalty program. Information packets were sent to schools in 36 states; 174 packets were sent to Idaho schools and \$48,197 was allocated. This program did not go as planned and proved to be more expensive to run than initially anticipated. The commission continues to participate in conferences, county fairs, fitness celebrations and other activities that give them the opportunity to promote Idaho Apples.

Ms. Fitch next spoke about the Cherry Commission. This was a good season for the cherry growers. The harvest timing was right, the weather, the volume and the quality were all good as well. The market was difficult with prices lower this year, but Idaho's season was finished before then and still able to get a good price for their crop. One association they are members of is the Northwest Cherry Growers, a five-state organization that collectively markets their cherries. **Ms. Fitch** said as of August 31, 2012, Northwest Cherry Growers had record shipments of 22.7 million boxes. Idaho grows, on average, about 2,500 bushels (9,333 boxes) annually. The 2012-2013 six-month financial and 2013-2014 proposed budget was presented to the committee.

Ms. Fitch said the Idaho East Oregon Onion Committee was established in 1957 and represents the growers and handlers. There are six grower districts and four handler districts that members are chosen from. There twenty-two full and alternate committee members and one public member position. They are also members of Idaho Preferred and Ag in the Classroom.

Idaho is one of the largest onion growing areas in the United States (U.S.). The minimum size and grade standards of onions here in Idaho exceed United States Department of Agriculture (USDA) standards. During 2011-2012, 32,163 (40,000 pound) truckloads were shipped. Over 1 billion pounds of onions are shipped annually. Onions are assessed a fee of 10 cents a hundredweight (cwt.) and these funds are used for promotion, export and research. For 2011, the onion comparison chart of all types, for all seasons, by state, ranked Idaho as:

- Third in harvested acreage
- Second in production
- Third in total value
- Second in yield per acre
- Tenth in value per cwt.

Ms. Fitch said ranking tenth in value is due to supply and demand, location to the ports, and the type of onion grown. The sweeter onions bring in a higher price and are not a type grown in Idaho.

The last presentation **Ms. Fitch** presented was on the Idaho-Oregon Fruit and Vegetable Association. In 1962, the association was formed as a non-profit corporation under the laws of Idaho, primarily to give support to produce shippers on matters of transportation, inspections, and other industry issues. They are members of both local and national associations. The economic impact and industry highlights were included in her presentation.

Supporting budgets and documents related to Ms. Fitch's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 23).

PRESENTATION: **Chairman Bair** introduced **Benjamin Kelly** Executive Director, Alfalfa and Clover Commission, who introduced **Leiland Tiegs**, Chairman, Alfalfa and Clover Commission, who presented the annual report and budget.

The Alfalfa and Clover Seed Commission (IACSC) represents growers predominately in southwestern Idaho and the Magic Valley, with a total of six growers that make up the commission. In fiscal year 2012, Idaho produced approximately 7,570,905 pounds of alfalfa and clover seed. This was down over 1 million pounds from 2011. The 2012 assessment for the seed was \$0.004 per pound (\$30,283.62). IACSC receives assessment payments from ten seed dealers in Idaho and Eastern Oregon. Idaho is the third largest alfalfa seed producing state. Although considered a minor crop, it is the foundation of an alfalfa forage industry that ranks third behind corn and soybeans and is one of the top five agricultural crops grown in the U.S. The seed industry is big business, and much of the U.S. looks to Idaho for the seeds that grow plants throughout the lower 48 states.

IACSC oversees the disbursement of funds in three major categories of operation: research, education and promotion. They funded two research and education projects in 2012: Treasure Valley and Pacific Northwest Pest Alert Network and Idaho One Plan: Pesticide Applicator Reporting Program. IACSC is part of the National Alfalfa and Forage Alliance (NAFA) which coordinates and promotes educational and research activities. Representatives from other forage seed producing states, along with genetic seed suppliers, forage growers, allied industries and university representatives make up the board of directors. Mr. Tieg is currently serving on the board. IACSC contributed \$5,000 in bridge funding for the Parma R and E Center, a research facility owned by the University of Idaho. This facility has research projects relating to insects, disease and crop rotation. It also helped secure labels for insecticides to be used on the crops, and helped to add gross revenue to growers by increasing yields

Supporting documents related to Mr. Tieg's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 24)

PRESENTATION: **Chairman Bair** introduced **Benjamin Kelly** Administrator, Idaho Oilseed Commission, who introduced **Wesley Hubbard**, Commissioner of the Idaho Oilseed Commission, who presented the annual report and budget. He thanked the committee for the opportunity to present, introduced his son, Dalian Hubbard, and gave out Canola flower seeds packets to the committee. The Idaho Oilseed Commission began in 1996, and pursuant to Idaho Code § 22-4704, is made up of three growers as the voting members, and are appointed by the Governor for a term of three years.

Mr. Hubbard said the commission is doing well. The acres are up and the assessments are up as well. Idaho's oilseed crop primarily centered around canola, mustard and rapeseed. Studies are currently underway on the research of a list of new oilseed crops identified with potential to be grown in Idaho. These crops may provide alternatives for the farmers in the future. The commission participated in two research projects during fiscal years 2011-2012. They have approved two new research projects currently underway. **Mr. Hubbard** said they continue to participate in the industry meetings and education efforts that are essential in helping the farmers continue to produce better crops.

Supporting documents related to Mr. Hubbard's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 25).

ADJOURNED: **Chairman Bair** adjourned the meeting at 8:58 a.m.

Senator Bair
Chairman

Denise McNeil
Secretary