

MINUTES
HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Wednesday, March 04, 2015
TIME: 1:30 p.m. or Upon Adjournment
PLACE: Room EW42
MEMBERS: Chairman Andrus, Vice Chairman Boyle, Representatives McMillan, Batt, Bell, Dayley, Miller, Romrell, VanOrden, Burtenshaw, Kerby, Troy, Pence, Erpelding
**ABSENT/
EXCUSED:** Rep. Boyle
GUESTS: Kelly Olson, Idaho Barley Commission

Chairman Andrus called the meeting to order at 2:37 p.m.

MOTION: **Rep. Kerby** made a motion to approve the minutes of the February 24, 2014 meeting. **Motion carried by voice vote.**

Kelly Olson, Administrator Idaho Barley Commission (IBC), presented their annual report to the Agricultural Affairs Committee. She stated Idaho produces 27% of the nation's barley. It is the 5th largest Idaho cash crop just behind sugarbeets. She said malting barley contract prices remain flat to 10% lower this year.

Ms. Olson said 2014 has proven to be one of the most challenging years for Idaho barley crops. She explained the excessive moisture throughout the month of August caused the barley to spout in the fields. Despite best efforts to get the damaged crop harvested in a timely manner and stored properly, it was anticipated as much as 60% of the state's malt barley crop will be downgraded to feed quality. The damage exposed weak areas in crop insurance that will now need to be addressed.

Ms. Olson explained when damage became apparent in early August, the Idaho Barley Commission immediately began implementing a crisis action plan.

Ms. Olson stated the IBC made a one million dollar endowment investment with the University of Idaho to support a dedicated barley research scientist at Aberdeen Research and Extension Center. In response to a committee question she clarified the endowment is to be paid over a five year period.

She explained domestic beer sales fell 0.5% in 2014 but craft beer sales are up 18% and will reach 20-22% of the beer market this year. The largest U.S. brewers continue to be the primary customers for Idaho barley and malt. **Ms. Olson** said they are continuing to make significant progress in their effort to develop new varieties of soluble fiber that has proven to help lower cholesterol and reduce the risk of heart disease.

In response to a committee question, she explained the growers assessment is not refundable. In 1997 that clause was rescinded.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:26 p.m.

Representative Andrus
Chair

Joan Majors
Secretary