

MINUTES
HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Tuesday, March 10, 2015

TIME: 1:30 PM 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. Erpelding, Troy, Batt and Boyle

GUESTS: None

Chairman Andrus called the meeting to order at 1:32 p.m.

MOTION: **Rep. Dayley** made a motion to approve the minutes of the Thursday, February 26, 2015 and Monday, March 2, 2015 meetings. **Motion carried by voice vote.**

Karianne Fallow, CEO of United Dairywomen of Idaho, and **Tom Dorsey**, Co - Chair of United Dairywomen of Idaho, presented their annual report to the Agricultural Affairs Committee. They stated Idaho is third in the nation in production of milk products. Today milk products from Idaho are exported around the world. One out of every five milk tankers that leave the farm in Idaho is exported out of the country.

Mr. Dorsey explained 2014 was a banner year for the dairy industry in Idaho. The price of milk was at an all time high. He said the dock strike on the west coast was not as devastating to the milk industry because most of the export is powder and it stores well.

Ms. Fallow spoke regarding decreased consumption of milk. She explained how through the dairy check off system - at both the national and state level - they are working hard to dispel mistruths and reshape the conversation. In Idaho the big strategic goals are focused on introducing dairy farmers and the practice of dairy farming to the public and "putting a face on the industry." The early stages of the campaign seem to be accepted with a positive response.

Ms. Fallow said milk remains the only food mandated for school lunch service, reaching 55 million children every school day. Idaho's dairy farm families have a legacy of providing, at no cost, nutrition education curriculum to classrooms and health professionals across the state. She said they have a partnership with the National Football League in a program called *Fuel Up to Play 60*. This program is gaining traction with k-12 school leaders across the state with more than 73,000 schools participating nationwide. The program encourages students to consume more nutrient-rich foods and achieve 60 minutes of physical activity daily.

Mr. Dorsey explained they have found the best way to maximize promotional dollars is by forming partnerships in the industry. McDonald's, Pizza Hut, Domino's Pizza and Quaker Oats are a few of the national companies they are working with. It is through these partnerships they are able to be innovative in producing new products.

In response to committee questions regarding what made the difference in production from 2013 to 2014, **Mr. Dorsey** stated it was due mostly to the increase in milk prices allowing farmers to increase their herds. He said expansion is controlled by economic factors and feed costs.

Bob Naerebout, Executive Director, Idaho Dairymen's Association (IDA), said the IDA works at the local, state, regional and federal levels to protect and promote the legislative, regulatory and legal interest of its members.

He stated Idaho's milk production has gone from an average milk producing state in the 1980s to the third largest milk production state in the nation. The dairy industry supports the Idaho economy with more than 22,000 jobs. The majority of the jobs are farm labor. He said working with immigration reform is something they are very involved in and believe they have a moral obligation to protect and promote the hard working dairy workers.

Mr. Naerebout explained goals for reducing green house gases and identifying and reducing nitrate concentration in the East Snake River Plain Aquifer.

Rick Naerebout, Idaho Dairymen's Association, spoke about the record prices from 2014 which shattered records up to this time. He said this year, so far, pricing is about level with production costs. Feed is the biggest cost to the dairymen.

In response to a committee question, regarding the use of spouted barley for feed this year, **Mr. Dorsey** explained they did use a great deal of it but there was a problem with mold which made it unusable.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:32 p.m.

Representative Andrus
Chair

Joan Majors
Secretary