MINUTES SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, March 12, 2015 TIME: 8:00 A.M. PLACE: Room WW53 MEMBERS Chairman Rice, Vice Chairman Bayer, Senators Brackett, Patrick, Souza, Lee, PRESENT: Den Hartog, Ward-Engelking and Burgoyne ABSENT/ None 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 Rice called the meeting to order at 8:01 a.m. HJM 6 Food Labeling, Genetic Engineering (GMO), Douglas Jones, Executive Director, Growers for Biotechnology, advised that this memorial requests the U.S. Congress pass legislation for a federal policy on GMO labeling to avert a state by state patchwork labeling system. Mr. Jones introduced Representative Miller who further clarified that the legislation requests the FDA in conjunction with the National Organic Program provide standards for voluntary labeling. The labeling issue has been unresolved since the late 1980s. Different states have certification agencies, but there is no consistent certification or labeling throughout the states. From a marketing perspective the lack of consistency in the GMO labeling causes many difficulties. Recently efforts have been developing in individual states to address the GMO labeling issue. There is a substantial consumer market that wants to know if genetically engineered products are in the foods they are purchasing. Senator Patrick asked what has been the response of the food processors concerning the cost and logistics for them to distribute food with different jurisdictions of labeling. Mr. Jones stated that the Food Producers of Idaho strongly support this memorial, which has been reviewed by their industry multiple times. The language in this memorial was also reviewed nationally by the American Farm Bureau, Grocery Manufacturers Association and Bio-technology Industry Organization. This legislation has been well-vetted, and the agencies support the uniformity of national labeling for GMOs. Senator Patrick stated that he had a conflict of interest pursuant to rules of the Senate 39(H) but intended to vote on HJM 6. **MOTION:** .Senator Lee moved to send HJM 6 to the floor with a do pass recommendation. Senator Patrick seconded the motion. The motion carried by voice vote. **HCR 14** Honoring the Idaho Farm Bureau Federation for its Seventy-Five Years, **Representative Bell** stated it is an honor for her to support **HCR 14** in recognizing the Idaho Farm Bureau's contributions in the State of Idaho for the last 75 years. Farm Gate has been wonderful. The income is coming in, and it is the engine that pulls the State's economy. This legislation recognizes the Farm Bureau's partnership in supporting issues that are important to those individuals who steward the land and eat three meals a day.

Seventy-five years ago there were 13 farmers and ranchers gathered in Murtaugh, Idaho who saw a need for active representation to promote Idaho's agricultural industry. In the 1930s the country was in a depression; the farmers had no money and no way to sell their crops. These 13 farmers concluded that they would help themselves along with other farmers in the State to turn the state of agriculture around, and they formed the Idaho Farm Bureau Federation.

Senator Burgoyne asked for clarification on line 12 of the legislation "direct organization's grassroots policy development process to improve the financial well-being and quality of life for farmers, ranchers and all Idahoans". By supporting this type of language in the legislation is the Committee endorsing the legislative agenda of the Farm Bureau? **Representative Bell** answered that what the Committee is endorsing under **HCR 14** is the fact that this organization deserves to be honored for 75 years of growth and activity. **Senator Patrick** stated that the Farm Bureau is a grassroots organization and comes from small groups who have meetings across the State to assist in making policy. Discussion ensued between **Senators Souza**, **Burgoyne** and **Rice** concerning the policy language on line 12.

Senators Patrick and Brackett stated that they had a conflict of interest pursuant to rules of the Senate 39(H) but intended to vote on **HCR 14**.

- MOTION: Senator Patrick moved to send HCR 14 to the floor with a do pass recommendation. Senator Brackett seconded the motion. The motion carried by voice vote.
- H 148 Relating to the Idaho Cherry Commission (ICC) Revising Definitions and to Make Technical Corrections, Candi Fitch, Executive Director, stated the cherry industry has gotten smaller in certain areas but has grown in other areas. With the projection shifting mostly to District 2, they propose to remove the reference to districts in the code for the ICC. The action will assure that the members can be chosen to give the best representation to the cherry industry. Ms. Fitch guided the Committee through additional technical changes which add more clarity to the legislation.

Senator Patrick asked how many cherry growers are in the State. **Ms. Fitch** answered approximately 50 growers. **Senator Souza** asked for an explanation on the meeting publication. The bill reads that meeting notification will be published in the county where the meetings are held. **Ms. Fitch** advised that by code, the ICC is required to publish notice of the meeting twice before the meeting is held in the month of March. In addition, ICC's staff sends out a notice of the upcoming meeting to all of the growers and handlers on the ICC list.

- MOTION: Senator Lee moved to send H 148 to the floor with a do pass recommendation. Senator Souza seconded the motion. The motion carried by voice vote.
- **PRESENTATION:** Idaho Cherry Commission, Candi Fitch, Executive Director, began her presentation by giving an update on the 2014 apple and cherry season. The Idaho apple industry has enjoyed a number of good marketing years, and 2014 will be remembered as one of the most difficult years. The year began with ideal growing conditions, which resulted in record yields across Idaho and the Pacific Northwest. Washington and Idaho picked 20 percent more apples then the largest recorded crop. From the marketing side of the business, the Russian ban on produce resulted in countries like Poland being forced to buy into other markets like India resulting in depressed pricing.

Domestically, Idaho and the Pacific Northwest experienced truck shortages beginning in September resulting in lost sales and higher transportation costs. To make matters worse, slowdowns began the first of November on the ports along the West Coast. Containers had to be re-routed adding extra transportation costs, and sales were lost due to an unreliable logistical system. The returns that are now coming in are well below the cost of production.

The Northwest Cherry Growers reported they shipped a record crop of about 23.2 million boxes. Idaho shipped about 1,400 tons of cherries this season, which breaks down to about 140,000, 20 pound boxes during the 2014 cherry season. The market was good, as was the weather and volume, but there remains a labor shortage.

Research is vital to staying relevant in this global economy. The University of Idaho (UOI) Parma Research Station has been supported by grant funds to work on issues of maximizing production and fruit quality, optimizing mineral nutrients in Fuji apples, using rootstocks and orchard architecture in Idaho. The Idaho Apple Commission (IAC) is only allowed to apply for two Specialty Crop Grants per year. The IAC runs their grant applications through the (UOI) grant office.

The Parma Research Station was slated to close several years ago, but the fruit industry came together and worked with the UOI to form a collaboration to keep the fruit research active at the Parma Station. There is an MOU between the IAC, the Stone Fruit Committee of the Idaho Horticulture Society, the Table Grape Growers Association, and the UOI. There is a fund set-up at the UOI that requires the three groups to keep a balance of \$30,000 in a fund to support the Parma Station. The money is used by the Pomology Department and the funds are replenished annually out of that account.

Ms. Fitch finished her presentation by walking the Committee through the IAC's and ICC's financial statements discussing their grant monies, expenses, trade associations and current season's projects (see attachment 1).

MINUTESSenator Souza moved to approve the Minutes of February 19, 2015. SenatorAPPROVAL:Lee seconded the motion. The motion carried by voice vote.

MINUTESSenator Den Hartog moved to approve the Minutes of February 24, 2015. ViceAPPROVAL:Chairman Bayer seconded the motion. The motion carried by voice vote.

MINUTES Senator Brackett moved to approve the Minutes of February 26, 2015. Senator APPROVAL: Patrick seconded the motion. The motion carried by voice vote.

MINUTESSenator Burgoyne moved to approve the Minutes of March 5, 2015.APPROVAL:Den Hartog seconded the motion. The motion carried by voice vote.

ADJOURNMENT: There being no further business, **Chairman Rice** adjourned the meeting at 9:21 a.m.

Senator Rice Chair Carol Deis Secretary