

MINUTES
HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 02, 2017

TIME: 1:30 P.M.

PLACE: Room EW42

MEMBERS: Chairman Boyle, Vice Chairman Dayley, Representatives Bell, Miller, VanOrden, Burtenshaw, Kerby, Troy, Stevenson, Amador, Armstrong, Hanks, Zito, Erpelding, Toone

**ABSENT/
EXCUSED:** Rep. VanOrden

GUESTS: Brent Olmstead, CALS; Braden Jensen, Idaho Farm Bureau; Mitch Coates

Chairman Boyle called the meeting to order at 1:33 p.m.

MOTION: **Rep. Toone** made a motion to approve the minutes of the Thursday, January 26, and Monday, January 30, 2017 meetings. **Motion carried by voice vote.**

Dr. Garth Taylor, University of Idaho, addressed the committee concerning the Financial Condition of Idaho Agriculture. He explained Idaho ranks 3rd in the Nation in new farm income just behind California and Washington. In 2016 there was a 4% cash receipts drop back to 2011 levels. The only crops to see an increase in 2016 were barley, which was recovering from a devastating previous year, and sugar beets. He stated the real winner over the past few years has been the dairy industry which has seen an increase of 134% from 1980 to 2016. Since the mid nineties, Idaho livestock has averaged an increase of approximately 20,000 cows per year. Dr. Taylor said milk production has increased by 65% per cow even though the real price of milk has gone down over 50%. Dr. Taylor explained how volatile farm income is in that production costs vary only slightly whereas prices can vary greatly from year to year.

In response to committee a question, **Dr. Taylor** explained drought or shortages for other reasons, always cause an increase in prices. An example is the onion crisis this year due to the damage that has occurred in the storage sheds.

Despite a slight decrease in net farm income this year, **Dr. Taylor** explained Idaho Real Net Income has grown twice as fast as the US Index Net Farm Income. Idaho's second quarter GDP was third highest in the US, lead by an increase in Agricultural of 1.53%.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:27 p.m.

Representative Boyle
Chair

Joan Majors
Secretary