

Oregon State Board of Agriculture
March 29-31, 2016
La Sells Stewart Center, Oregon State University, Corvallis, OR

Board members in attendance: Laura Masterson, Sharon Livingston, Tyson Raymond, Doug Krahmer, Stephanie Hallock, Barbara Boyer, Tracey Liskey, Dean Dan Arp and Director Coba.

Others in attendance: Cathleen Connolly, Jason Barber, Liz Beeles, Jim Johnson, Helmuth Rogg, Ray Jaindl, Mateusz Perkowski, Lauren Henderson, Nellie McAdams, Lindsay Eng, Stephanie Page, Ron Sarazin, Tammy Dennee, Les Ruark, Dave Losh, Tyler Alexander, Jerome Rosa, Christina Higby, Ivan Maluski, Michael Morrissey, Paul Harcombe, Jessica Jansen, Katie Fast, Jalene Littlejohn, Jay Noller, Carol Mallory-Smith, Charles Ortiz, Ramesh Sagili, Lauren Gwinn, Tami Kerr, Kelly Crane, Scott Dahlman, Clint and Charlotte Houser, Dan Edge, and Garry Stephenson.

Chair Laura Masterson called the meeting to order at 8:35 AM. The meeting opened with the Pledge of the Allegiance. Board member introductions preceded introductions of staff and guests.

Minutes

Barbara Boyer moved to approve the December board meeting minutes as submitted. Doug Krahmer seconded the motion. Motion passed. Stephanie Hallock abstained.

Director's Report, Director Coba, Oregon Department of Agriculture (ODA)

Director Coba reported the Governor's Office was hoping to have the Board of Agriculture public member appointed by this meeting however; the Governor's Office staff has been addressing other state issues. Director Coba is hopeful that board appointments (both the public member and the replacement for Doug Krahmer) will be completed by the next board meeting.

Budget and Legislative Updates, Director Coba and Assistant Director, Lauren Henderson, ODA

Director Coba stated that the short legislative session provided key items for ODA. This included General Fund (\$539,000) to match the Federal Fund contribution (\$1.7 million) for the treatment and monitoring of Asian Gypsy moths (AGM) in 2016. The target date for the first treatment is April 23rd but ultimately dependent on the weather.

The short session also included legislation that impacts the hemp program. Introduced by Representative Wilson, in partnership with the hemp growers, the bill removes the acreage size requirement, allows the hemp to be grown in greenhouses, and makes other statutory changes. The hemp program is working on temporary rules so that growers will be able to grow this year. Permanent rules will also be developed. Oregon State University (OSU) has been a partner as ODA has

implemented the hemp program. OSU was working to get research money for hemp research project but that did not happen. ODA is expecting more hemp growers for the 2016 growing season. Last year, ODA licensed 11 growers. Currently, ODA has received approximately 30 registration applications with another nine growers in the process of registering. ODA is responsible for ensuring that the hemp crop tests below 0.3 percent tetrahydrocannabinol (THC).

The ODA is currently preparing for the next legislative session. Development of legislative concepts (LC) and policy option packages (POP) is a long process. The ODA has started reaching out to stakeholders regarding proposed LCs and POPs. The LCs and POPs are draft and could look very different by next year.

The 2017 Proposed LC/POP handout was distributed. Director Coba reviewed the handout with the board.

- *LC 001 & 002: Stop Work Order:* The first two LCs are placeholders. Originally, ODA thought this concept should be agency wide but narrowed the focus to the food safety and pesticide programs. The stop work order would be another tool for ODA to ensure compliance. For example, if food safety staff discovered a broken refrigerated cooler during an inspection, stop work order authority would allow ODA to stop the activity (i.e. stop sale of food from the broken cooler) while the store remained open versus having to close the entire store down. The intent is not to provide additional burden to the licensee.

Doug Krahmer cautioned this approach. He recommended having a judicial mechanism so that if an owner/grower has an issue with the stop work order, there is a way to get quick adjudication. Doug spoke of the blueberry industry's recent experience with the Department of Labor (DOL) and 'hot-goods' order. In this case, DOL stopped picking and there was no recourse for the farmer. Doug also recognized the human health concern associated with pesticide applications but pesticide applications are also time sensitive.

Director Coba acknowledged and is sensitive to this concern. ODA is trying to find the right balance by attempting to write statutory language with the appropriate sideboards.

Assistant Director Henderson reported that the agency's regulatory tools are currently limited - suspend a license or go to court to get an injunction. ODA does not have a tool that is specific to the activity.

- *LC 003 - 006 - Statutory Clean Up:* These concepts are about statutes that address livestock auction markets, labeling and other clean up. ODA staff will be reaching out to effected parties to discuss these concepts.

- *LC 007 - Food Safety Modernization Act (FSMA)*: ODA is trying to anticipate the statutory authority needed to implement FSMA. The National Association of State Departments of Agriculture (NASDA) is working on developing model statutory language but it might not be done in time. ODA will need clear authority to move forward with FSMA implementation.
- *LC 008 - Jet Fuel*: This concept will clean up statutory language pertaining to jet fuel as well as clarify program authority.
- *LC 009 - Scales*: This will create a new license category for Class II A scales. These scales require additional time to calibrate. The current fee schedule does not cover the cost of calibration. Class A scales are used by pawnshops and cannabis business owners.
- *LC 10 - Compliance*: This is a placeholder. ODA is waiting for the conclusion of a pesticide case to determine if additional statutory authority is needed for this program.

Director Coba stated that the state is expecting a budget shortfall. The shortfall is due to the recent court case regarding the Public Employee Retirement System plus the state's costs for federal programs. The projected shortfall is \$1.4 billion, a six percent reduction in General Fund. By statute, all state agencies have to submit a budget that includes a 10 percent cut.

There is a state initiative petition, IP 28, if passed would increase corporate taxes an estimated \$2.5 billion. Subsequently, the Governor will be preparing two different budgets, one with cuts and one with additional revenue.

Director Coba reported that programs that receive General Funds (i.e. Confined Animal Feeding Operation Program, Ag Water Quality, Market Access, Animal Health, Food Safety and others) are programs that stakeholders would not want to cut. A 10 percent General Fund budget reduction for ODA is approximately \$2.3 million. ODA could cut an entire program and still not satisfy the 10 percent. In the past, ODA has proposed to cut entire programs, but this year programs are looking see how each program can absorb a 10 percent cut. This list will be prepared and presented to the board in June.

Director Coba reviewed the POPs.

- *Public Records Coordinator*: ODA continues to see an increase in public record requests. Public requests are also becoming more complex. It is becoming difficult to meet these requests in a timely fashion. This position was requested during the last budget cycle.

A question was asked about other agencies and whether they have public record request coordinators. Director Coba responded that some agencies have a dedicated person.

A question was asked about fees for public record requests. Director Coba responded that agencies can charge a fee for public records request but there are exemptions. The Governor is interested in creating a more standardized public record process because each agency operates differently.

Assistant Director Henderson also commented that this person would provide assistance with record archiving. This, too, would help speed up the retrieval of documents needed for public record requests.

- *Government Relations Coordinator*: Many state agencies have a government relations point person. ODA does not. During session, Deputy Director, Lisa Hanson, is the lead on this issue. ODA needs a full time person for this work.
- *Information Technology (IT)*: During the staff strategic plan data collection, staff has identified several IT needs. IT improvements would also help increase program efficiencies.

Stephanie Hallock asked about the Geographic Information System (GIS) partnership and if ODA received additional staff to assist with GIS work. Assistant Director Henderson reported that the State GIS Office moved into the building. Coordination will continue. ODA did receive one position to assist with GIS work. A question was also asked if the GIS needs for the Strategic Implementation Area (SIA) have been satisfied. Director Coba reported yes.

- *Human Resources*: ODA employs 350 full-time staff. When fully staffed with seasonal employees, ODA has 500 employees. Data collected for the strategic plan data collection has showed that staff desires more training. ODA does not have enough staff for human resources work.

A question was asked about ODA sharing human resource services. Today, ODA staff focuses on recruitment, personnel issues and managing the flow of seasonal staff. ODA borrows human resource staff from the Department of Land Conservation and Development (DLCD) for projects but DLCD only has one human resource staff person.

- *Food safety inspectors*: Food safety program is finally fully staffed. Even with full staff, ODA is behind on inspections. ODA is also seeing growth in the number of firms that need licensing. ODA would like to add additional food safety inspectors to complete this work.

- *FSMA Placeholder*: This is a placeholder to request increased Federal Fund limitation.
- *Limited Duration Positions (Food safety program)*: This would make three limited duration positions permanent. These positions are funded by Federal Funds.
- *Limited Duration Position (Animal health program)*: This would allow for the Avian Influenza Coordinator limited duration position to continue.
- *Shellfish Program Funding*: ODA received funds last biennium for this program but other programs are subsidizing shellfish work. ODA is asking for additional funds for this program.
- *Metrology Lab*: This POP is to replace aging laboratory equipment.
- *Weight and Measures Inspectors*: ODA is asking to add two new inspector positions. ODA has not added an inspector since 1999 and the program is also licensing more scales as a result of the cannabis industry.
- *Lab Infrastructure*: ODA received funds to invest in the lab last biennium but additional investment is needed.
- *Regulatory Lab Relocation*: There are four labs at ODA and there has been discussion about co-locating these labs. This request is for a feasibility study.
- *Director of Marketing*: This is a technical fix and moves limitation.
- *2-1-1 Hotline*: This is a placeholder. The program maybe short on funds. This POP would increase Other Funds in order to fully fund the hotline.
- *Aquatic Noxious Weeds, IPPM Biological Control Specialist, Strengthening Core Invasive Noxious Weed Control Program, Strengthening Local Noxious Weed Activities Through County Weed District Funding*: These four POPs are related to the weed program. Overall, these POPs would shift on-the-ground work to county weed program so that staff expertise can be better utilized. ODA is asking for two new positions, which are needed to support and maintain the work, related to water quality. ODA is asking for reinstatement of General Fund for the weed program.

A question was asked as to why there was not an FTE request with some of the plant protection POPs. Director Coba responded that ODA staff is over qualified for the federal work. ODA wants staff to get back doing core mission and have others do the management. Federal money would still coming to

the state but not necessarily ODA, perhaps to the counties. ODA's core work is dedicated to early detection and rapid response of "A" rated weeds.

- *True-up Federal Funding:* This POP would allow the establishment of FTE to match federally funded project work.

Director Coba explained the timeline for LCs and POPs. The initial list is due April 11th. Placeholder language and specifics are due in June. The Governor's Office has to approve on the concepts before they are drafted. Pre-session filing occurs in December.

Sharon Livingston asked how cannabis work was being funded. Revenue from taxes collected on marijuana sales is used to fund marijuana implementation. ODA is tracking work related to cannabis. Once ODA has a better understanding of the cannabis workload, additional resources will be requested.

ODA Strategic Plan Update, Ron Sarazin, Olympic Performance, Inc.

Ron distributed the Strategic Plan Development Roadmap. The roadmap outlined the process for ODA's strategic plan. Ron reviewed the work that has been done thus far.

Ron described the work of the employee focus groups. Ron and Kathryn met with staff by program or program area. Staff were asked two questions: "what good things has ODA accomplished over the last five years" and "what should ODA focus on going forward." Ron then explained the brain writing process that staff used to provide feedback. Ron distributed and reviewed a document that summarizes staff and manager's feedback.

A question was asked about confidentiality when the data was collected. Managers were not in the room while staff provided feedback and staff also provided feedback on individual cards, which were processed by Ron.

Ron noted that the themes were the same from the staff focus groups and the manager's focus groups.

The next step is the formation of the cross-functional teams. This team will analyze the data and provide recommendations to be considered by the executive team.

A question was asked about how some of this data will be used. Kathryn Walker reported that the ranking process completed by the board during the December meeting helped determine the topics for the board report.

Ron added that he and Kathryn would be meeting with the two lobby groups (Conservation Lobby and Ag Lobby) to gather information. This is part of the environmental scan.

A question was asked about the make-up of the cross-functional teams. These teams will include a broad representation of non-management staff.

The board recommended another opportunity to reflect and evaluate their information thus far. This will be discussed at the next board meeting.

Director Coba commented that some of the budget requests were in response to feedback from the strategic plan process. Director Coba also reported that some staff have concerns about safety in the building and in the field. Director Coba said that next to the Capitol, ODA is the most easily accessed building in the Capitol Mall. Director Coba asked the board for their feedback if ODA were to change building security practices.

Board members discussed this. It was important to board members that ODA balances accessibility for the public and employee safety.

A question was asked if a reception area could be created to control the flow of people accessing the building. In addition to being an odd shaped building, Director Coba reported that she was not comfortable having a single person placed in that position. It was suggested that security personnel staff the reception area.

Assistant Director Henderson spoke about a recent incident with an individual who was upset with ODA. Installing override switches on doors or a panic alarm system is being considered.

Dean Dan Arp reported that OSU does not lock buildings throughout the day. The university's focus has been on response. For example, if something were to happen on campus, staff is alerted multiple ways (phone, text, email, etc.).

A member of the public, Les Ruark, suggested to equip field staff with radios to the sheriff's department and recommended a different vehicle type for field staff.

The board recessed at 10:23 AM and was called back to order at 10:47 AM.

Public Comment

Jerome Rosa, Oregon Cattleman's Association (OCA), provided public comment on comments made at the recent Environmental Quality Commission (EQC) meeting. At the EQC meeting, comments were made to transfer the jurisdiction of the Agriculture Water Quality Program (AWQP) to the Oregon Department of Environmental Quality (DEQ). OCA is opposed to this and asked ODA, and the board, to oppose this and take necessary action to prevent this from happening.

Dave Losh, Oregon National Agricultural Statistic Service (NASS), provided an update on survey work at NASS. NASS started a grass seed and Christmas tree survey this spring. Information should be published by August. NASS is also in the beginning stages of a local food survey. This is a national survey that will gather

baseline data to determine where farmers are selling their products. The USDA has a renewed emphasis for beginning farmers subsequently NASS is trying to determine if farmers are aware of the beginning farmer programs and if these programs are working. The March intention survey will be released today. This survey shows spring plantings.

Director Coba requested of Dave that if there is data that is important for the board to know, to please contact ODA.

Paul Harcombe, Harcombe Farm, lives in Linn County. Paul was representing himself and his neighbors on a land use in concern their community. Paul was advocating for an expedited review and revision of the land use code. The concern is regarding the definition of "preparation" which does not provide limits on size or location of facilities for post-harvest handling. There is also concern that the truck route is dangerous. Paul requested that the board facilitate a prompt review of the regulations and implement changes necessary to prevent the further siting of large commercial facilities in exclusive farm use (EFU) zones.

Tyler Alexander, Oregon Farm Bureau (OFB), appreciates ODA's role with the AWQP. OFB is also concerned about the comments at the recent EQC meeting. OFB has many concerns with the program being transferred to DEQ. OFB, like OCA, wants the AWQP to remain with ODA.

Jessica Jansen, Executive Director of Ag in the Classroom (AITC), provided comments to the board. AITC is a non-profit agricultural education organization that is completely funded by grants and donations. AITC provides agricultural curriculum for teachers, maintains a resource library for teachers, volunteers, and afterschool activities, publishes the textbook, *Get Oregonized*, organizes an annual literacy project (last year they reached 889 classrooms) and much more. This year's book for the literacy project is titled *Before We Eat from Farm to Table*. The book focuses on agricultural careers.

OSU Overview, Dean Dan Arp, College of Agricultural Sciences

Dean Dan Arp reported that total student enrollment is approximately 30,000 students; this includes 5,000 students participating in e-Campus learning. Other news at OSU is that the Cascade campus, located in Bend, is in the process of moving to a four-year college. In terms of enrollment, the Department of Food Science and Technology has the highest percentage of growth, but largest departments in the College of Agricultural Sciences are Department of Animal and Rangeland Science and Department of Fisheries and Wildlife.

During the 2015 Legislative Session, Dean Dan Arp reported that OSU received a \$14 million increase in the statewide public services budget. This is a 14 percent increase. With this money, OSU will be able to hire 40 new experiment and extension staff. The Forest Research Laboratory will use their portion of the money

to study the marbled murrelet. OSU is in the process of filling these positions with the goal of having recruitment complete by September.

Dean Dan Arp spoke about some of the specific positions. OSU received three positions that will deal directly with sage grouse and the range systems that the sage grouse live in. Staff will help ranchers develop and implement sage grouse conversation management plans.

OSU also hired a slug specialist. This position was developed as a result of conversations the college had with industry. Growers are seeing an increasing problem with slugs and subsequently identified the need for a specialist to assist with this problem. The slug specialist will start in June.

Dean Dan Arp reviewed the statewide public services budget from 2000 to present. The data shows that the university has not had stable funding during this time period. OSU also relies on other funds such as Federal Funds, royalties and donations. OSU uses these funds to leverage additional resources.

Dean Dan Arp spoke about the QS World University Ranking by Subject. This worldwide ranking system for agriculture and forestry began approximately four years ago. Rankings are developed based on combination of reputation surveys and objection measures (i.e. citation measures). In 2015, OSU was ranked ninth. Last week, the QS released the 2016 rankings and OSU moved to 14th.

There are over 200 professors at OSU with research projects. Dean Dan Arp spoke about a few of these including a toxicologist that has developed a silicone bracelet to evaluate children's exposure to chemicals and a wheat researcher developing models to track disease movement in wheat.

When asked, what are some of OSU's concerns, Dean Dan Arp reported that there is a continual change in the expectation of students in the way education is delivered; free-tuition at community college has changed the flow of students into the university, budget, sources of revenue and retirements.

A question was asked about the new food science facility. Dean Dan Arp reported that OSU is trying to raise \$16 million to build a fermentation facility. The goal is to raise \$8 million privately with the remaining balance raised through bonds. OSU hopes to make the bonding request during the 2017 Legislative Session.

Marty Meyers spoke about the farm's experience with the OSU Internship Program. Sharon Livingston reported that the beef industry is working to fund a beef graduate student. Laura Masterson reported that organic farmers are not seeing interns from OSU.

A question was asked about the College of Agriculture implementing the MECOP (Multiple Engineering Cooperative Program) in the college. There was a brief discussion about this.

Director Coba reiterated the importance of ODA staying connected with OSU as the two entities move forward on common topics in an effort to have a common message to stakeholders.

Food Safety Modernization Act: Education and outreach update and discussion, Dr. Michael Morrissey, Director, OSU Food Innovation Center (FIC)

Dr. Morrissey spoke about the Food Safety Modernization Act (FSMA) by providing a history of the act. This is the first big food law since 1938. The intent of FSMA is to focus on prevention, not inspection and testing. FSMA also enhances Food and Drug Administration's (FDA) inspection and enforcement authority.

Reasons the law was implemented includes a shift in how food is consumed (i.e. increased raw food consumption), increased use of compost in production, surface water sources and the lack of standards for animal food.

There are seven different rules which will all be finalized by summer. Dr. Morrissey provided information about the standards pertaining to the produce safety rule. This rule addresses growing, harvesting, sorting, packaging and storage of production. Standards have been developed for irrigation water, worker health and hygiene, equipment, tools, building and sanitation, and domesticated and wild animals.

There was a lot of concern over the surface water standards for the produce safety rule. Dr. Morrissey reported that in the proposed rules surface water irrigation standards were similar to regulations for swimming pools. The challenge was that methods used for water conservation do not necessarily mean it was the best practice in terms of food safety. Subsequently, FDA was invited to the Pacific Northwest in 2013 for a listening session to discuss this issue.

For FSMA implementation, several training needs have also been identified. In May 2015, a request for proposals to help address this need was offered by both FDA and the United States Department of Agriculture (USDA). OSU applied for the Western Region FSMA Training Center grant. OSU was awarded the grant (\$1.2 million) in October. This western region covers 13 western states and two pacific island nations.

OSU plans to divide the western region into four areas (pacific, northwest, southwestern and mountain). Each region will focus on the commodities grown in that area. The objectives of the grant is three-fold: develop Produce Safety Alliance and Food Safety Preventive Controls Alliance certified trainers within the US western region who are focused on supporting the food production and processing industry; develop and deliver regional and stakeholder specific education, training

curricula and technical assistance programs; and evaluate the impacts of education, training and technical assistance programs. This is a three-year grant.

The focus of the grant is to “train the trainers.” OSU hopes to have master trainers located in the west coast within the next six months. The grant does not cover training programs itself.

Dr. Morrissey reviewed the FSMA framework for industry curriculum development and dissemination. The goal is for a trainer to have similar training experience whether they trained in the northwest or southeast.

Dr. Morrissey spoke about OSU food safety staff and their experiences and expertise in food safety.

OSU has already offered training for the preventive control rule. FDA has not yet approved the training curriculum for the produce safety rule. This curriculum should be approved by summer so training can begin this fall.

Dr. Morrissey reported that FSMA regulations could also be market driven as well as regulation driven. For example, farmers may qualify for the FSMA exemption but the marketplace may require FSMA participation.

The grant is focused on small farms and small processors. Larger processors are already familiar with food safety programs like Hazard Analysis Critical Control Points (HACCP). Since FSMA rules are an extension of these programs, it will be easier for those businesses to adjust to FSMA rules versus farmers and processors being regulated for the first time.

OSU is also hiring a food safety specialist. This person will work at the FIC and focus on FSMA. Stephanie Page is a member of the hiring committee.

There was a discussion about coordinated communication with all entities (federal government, ODA, OSU, industry groups) as FSMA implementation moves forward.

The board recessed for lunch at 12:23 PM. The meeting was called back to order at 1:00 PM. During the meeting, ODA presented the Cooperator for the Year Award to the Oregon Invasive Species Council (OISC). Jalene Littlejohn, from the Samara Group, accepted the award on behalf of the OISC. The award was presented to OISC for their collaborative work with ODA, specifically their assistance with Asian gypsy moth education and outreach.

Hemp and Canola Updates, Dr. Jay Noller and Dr. Carol Mallory-Smith, Department of Crop and Soil Science, OSU

Canola update: As background, Dr. Mallory-Smith reviewed the legislation related to canola production research. In 2013, House Bill (HB) 2427 prohibited the production of canola in the Willamette Valley Protected District although it did allow for canola research. This bill also defined “canola” and “raising” canola. In the 2015 legislative session, HB 3382, allowed 500 acres of canola to be planted in 2016, 2017 and 2018. These are not OSU research fields however the legislation requests OSU to monitor these fields.

OSU is in the process of reviewing published materials and historical data on canola and Brassica specialty seed production. Research from around the world is being gathered for this.

OSU is also developing information and recommendations regarding if, and under what conditions, canola is compatible with other crops. The comparison also includes assessing the compatibility of growing other Brassica seeds with other crops.

OSU is monitoring canola, turnip and radish fields. Fields are being monitored for insects, disease, spread from fields and volunteer control. Five fields of each crop each year will be monitored for a total of 4,500 acres over the course of three years. Dr. Mallory-Smith reported that OSU is following all three crops since literature states that canola, turnip and radish are similar and there may be an opportunity to learn something.

OSU is still in the data collection phase, but has learned thus far that disease (black leg, light leafspot and white leafspot) is the biggest issue but not unique or specific to canola. Weeds serve as a host for disease. Wild mustard seed in particular is a problem. This research has showed disease issues earlier than normal. With respect to insects, there are more flea beetles in radish and more pollen beetles in radish and turnips. OSU is still working on analyzing root maggot data. OSU has seen an increase in maggot damage but nothing that is unique to canola. As for volunteers, in general, there are more volunteers in radish than canola and turnip. The practice of under seeding of radish fields makes it difficult to control volunteers.

Discussion about the research project continued.

Dr. Mallory-Smith reported that OSU is in the last year of the research. Although the study is on going, results are preliminary. No conclusions can be made at this point in time but there are no indications that canola is uniquely different from other Brassica crops.

The final objective of the research project was to map the Willamette Valley Protected District to show the places within the district where plants of the genus Brassica could be grown while maintaining isolation distances from vegetables,

vegetable seeds and other crops. OSU needs the Willamette Valley Specialty Seed Association to provide assistance with this otherwise OSU will only be able to show agricultural land capability of producing canola with isolation distances. If OSU can show where Brassica seed production has been historically, OSU could better predict where the greatest impacts will occur.

Dr. Mallory-Smith reported that a report and recommendations to the legislative assembly is due November 2017. Recommendations to be provided include: co-existence, isolation distances, and where canola could be grown to reduce impact on other Brassica crops.

A question was asked about canola co-existence in other parts of the world. Dr. Mallory-Smith said that in New Zealand, farmers work together on issues. In Washington State, canola production currently takes place on the east side of the state.

Dr. Mallory-Smith commented that if you have compatible species, one should expect gene flow, unless there is a trait that makes the pollen sterile.

Hemp update: Dr. Noller provided a handout to the board regarding the OSU industrial hemp's pilot program. OSU is hoping to assist hemp growers with questions regarding agronomics. The goal is to begin research in Benton County in hopes of expanding research to other extension facilities and private lands over the state.

OSU reported that most Oregon hemp growers are interested in producing CBDs but there is a desire to have a locally grown fiber and hemp seed source.

Over the last few days, OSU learned that international hemp seed suppliers are no longer interested in supplying seed for OSU's research. Section 7 of HB 4060 allows for growers to save seed. Seed contributors are concerned that with this statutory change, since they feel they cannot protect their seed varieties.

The intent of the pilot project was to grow multiple hemp varieties to test performance in Oregon. The project would use a variety of seed types (both from Oregon and outside of Oregon). There are challenges with getting seed from other parts in the country, as dealing with Drug Enforcement Agency (DEA) has not been consistent across the country.

OSU has formed a hemp advisory committee. This committee has provided feedback to OSU regarding the hemp industry's research needs.

OSU received a DEA permit to handle marijuana. The DEA does not make a distinction between marijuana and hemp however; the Farm Bill does make this distinction.

Dr. Noller shared their timetable for industrial hemp research.

OSU recently created a certification standard for industrial hemp seed. The certification will allow growers who grow for seed production to certify their seed.

A question was asked what would happen if the industrial hemp tested above the 0.3 percent THC limit. Since OSU's research crop is not registered with ODA, ODA would not have authority to embargo the crop. Lindsay Eng responded that when registered hemp grower's crops test above 0.3 percent THC, ODA would embargo the hemp. Growers have the ability to recondition the hemp. If the hemp cannot be reconditioned, the crop will have to be destroyed.

A question was asked if OSU would be studying co-existence between hemp and marijuana. The certification isolation distances for the seed certification uses data from sources such as Canada. OSU expects to have a means to capture pollen around various grows to help answer this question.

The board concluded the meeting 2:10 PM for a tour of Berries Northwest, LLC. The board meeting resumed on Thursday, March 31, 2016 at 8:34 AM at La Sells Stewart Center.

Introductions were made by Board of Agriculture members followed by members of the public.

Pollinator Update, Dr. Ramesh Sagili, Department of Horticulture

Dr. Sagili, Department of Horticulture, provided an update on honey bees.

Honey bee pollination in the US is a \$20 billion dollar industry. In Oregon, honey bee pollination is a \$500 million industry. Bees pollinate more than 90 different crops. There are over 4,000 native bee species in the US and 900 in the Pacific Northwest.

Dr. Sagili reported that China is currently evaluating whether human pollination is more efficient than bee pollination as China does not have enough native bees to pollinate crops.

Dr. Sagili reviewed managed honey bee colony loss. In 2014-15, total loss was estimated to be 40 percent. Honey bee colony decline is complex, multifactorial and a dynamic problem. Factors responsible for the honey bee declines include parasites, disease, malnutrition (this is a relatively new issue), miticides used for *Varroa* control and low genetic diversity. The Honey Bee Act that was passed in 1922 did not allow for the importation of honey bees into the country thus genetic diversity of the honey bees has decreased. Dr. Sagili described each of these factors more in depth.

Varroa mites cause deformed wing virus, Kashmir bee virus and other diseases. When infected, the mites will destroy the colony within a few months if it is not treated. Nosema is another parasite that causes bees to have diarrhea.

As for bee nutrition, monocultures, hybrid crops and loss of bee habitat have restricted the bee diet, as they do not produce enough pollen for the bees.

Pesticides have received significant attention since the reporting of the colony collapse decline. In 2012, a broad survey of pesticide residues in bee hives samples across 23 states showed 121 different pesticides and metabolites. Additives and synergistic effects from multiple pesticide exposures is a concern since many pesticides are lipophilic and persist on wax comb. Honey bees have fewer genes for innate immunity and detoxification than other insects, like mosquitoes, hence are more susceptible. Dr. Sagili reported that we know what each pesticide does to a bee by itself, but do not know how bees will be impacted when exposed to multiple pesticides. There are several modes of pesticide exposure including direct spray, honey dew, spray drift, nectar and pollen. Neonicotinoid insecticides act as a neurotoxin. It is one of the largest groups of insecticides used because of its low mammalian toxicity. Sub lethal effects on bees include compromised memory and learning. There are several studies recently released about this.

Dr. Ramesh explained how memory and learning experiments are conducted in his laboratory.

Determining realistic exposure of bees to neonicotinoids is a challenge. There are not enough studies to conclusively substantiate the role of neonicotinoids on bee colony declines but there is enough evidence that warrants a closer look at this class of insecticides and encourage caution in their use.

Dr. Sagili reviewed the current research being conducted at OSU related to honey bee health. Research is focusing on studying pests, pathogens and honey bee nutrition. Dr. Sagili is hoping to expand the research focus to include honey bee viruses and bacterial diseases.

A question was asked about what percentage of crops are pollinated by managed bees versus native bees. Dr. Sagili is trying to answer this question. In comparison to other states, Oregon has a more robust native bee population. Nationally, it has been reported that there is a 35 percent bee loss, however, local surveys have showed Oregon losses do not exceed 25 percent. Although there is no science on this issue, Dr. Sagili suspects that forage crops have helped minimize the loss.

Dr. Sagili is conducting a study called the “Longitudinal Monitoring of Commercial Beekeeper Colony Health.” Data is being collected from hives in California. The research is evaluating bee nutrition, pesticides, growth regulator impacts, disease and other factors. This study has shown that *Varroa* mite levels increased during the

later part of the season. This data can be used to help beekeepers make the decision on when hive treatment should occur.

With respect to honey bee nutrition, Dr. Sagili is studying the “Effects of Pollen Quality and Physiology and Colony Growth and Immunocompetence.” Dr. Sagili is also studying the effects of pesticides. A field trial is studying the effect of realistic concentrations of imidacloprid and chlorothalonil as well as a trial on the effects of BELEAF (Flonicamid 50 SG) on bee mortality and behavior. This pesticide label does not include information about bees. With this research, information will be learned regarding timing of pesticide application to benefit the bees.

In the area of honey bee pollination, the potential use of brood pheromone to enhance pollination efficiency is being study. Some crops, like carrot seed, do not produce enough nectar. The study will reveal whether the brood pheromone would increase the foraging efficiency of bees.

Dr. Sagili briefly spoke about extension outreach including publications, the PNW 591 App and the master beekeeper program. Dr. Sagili also talked about the presidential memorandum on pollinator health. Dr. Sagili briefly spoke about the task force’s recommendations and legislation pertaining to pollinators. Finally, Dr. Sagaili mentioned the development of state pollinator protection plans.

Helmuth Rogg spoke about ODA’s and OSU’s collaborative efforts to study honey bees.

Center for Small Farms and Community Food Systems, Dr. Garry Stephenson, Director, and Dr. Lauren Gwinn, Associate Director

The Center for Small Farms and Community Food Systems (center) is fairly new as it had it second birthday this past September. The center’s mission is to advance sustainable agriculture, community food systems and economic progress for Oregon’s small farmers and ranchers, and provide leading edge experience for students. The development of the center grew from the 20 years success of the OSU Small Farms Program, continuing interest in locally and regionally produced food and response from small farmers and ranchers to meet this market demand. In general, the center is a model used to connect a variety of stakeholders to engage in research and outreach around complex issues. The center provides extension programs, conducts research related to farming and food systems, teaches college courses informed by extension and research collaborate with stakeholders, and promote change.

The center’s vision focuses on successful small farms and ranches, strong community food systems and development of students with high “Food IQ.” The strategy to complete this is to expand the OSU Small Farms Program, collaborate across the community food system spectrum and each food systems courses for OSU students.

The USDA's definition for a small farm, in general, is defined as a farm that earns less than \$350,000 gross. With this definition, 90 percent of the farms nationally would be considered small. In Oregon, 91 percent of the farms would be considered small. This was not a useful definition for the center and subsequently they created a definition for small farms unique to Oregon.

At OSU, a small farm is a state of mind. Oregon small farmers tend to be entrepreneurial, focused on direct and specialty markets, pursue local and regional sales, preserve their identity through the value chain and produce products that appeal to an important segment of customers.

Drs. Stephenson and Gwinn also defined community food system as sustainable food production, processing distribution and consumption that enhances the economic, environmental and social health of a particular place. This includes small-sale, sustainable farms, closer ties between farmers and consumers, equitable access to affordable, nutritious diet, food and agricultural businesses that create jobs thus recirculating capital, have improved conditions for farm and food system labor, advocate for food and agricultural policy that support all the above and is created through community collaboration. Locations of robust community food systems were provided.

The state of Oregon has been divided into seven small farms program regions. This includes the lower Gorge, north Willamette Valley, mid Willamette Valley, south Willamette Valley, central Oregon, Douglas County and southern Oregon. The small farms program focuses on education and training for farmers and ranchers, applied research and electronic outreach. Some of the small farms program include education for beginning farmers using sustainable whole farm planning as a framework, for example OSU created an online course called "Growing Farms: Successful Whole Farm Management," Women's Farming Networks which gathers women together to share resources, vision, experiences as well as opportunities to learn and the Niche Meat Processor Assistance Network which is a national program hosted by OSU.

The small farms program is also conducting farm-based research. Including the development of *Croptime*, a degree day on-line modeling tool for vegetables which more accurately predicts harvest dates, the dry farming project which is focusing on producing vegetables and melons without irrigation. The demonstration trials included sensory evaluation and yield data. Although the yields are lower in dry land production, the flavor is better. Another research project includes the \$5,000 Packhouse Design. This is a farmer driven design of an affordable packhouse for small diversified vegetable farms. The demonstration packhouse will be located at the North Willamette research farm.

The small farms program also hosts an annual conference. Nearly 1,000 individuals attended the conference this year with 75 percent of the attendees being farmers.

Finally, the small farms program produces a quarterly newsletter and is active in social media.

Other current projects at the center include a small farm viability project. After farms have received help in getting started, it is important to continue to support them to remain viable. Dr. Gwinn spoke about some of the tools available to assist farmers in maintaining a viable business. Farmland access and tenure is another project that is trying to identify land access challenges and farmland transition. OSU is collaborating with Portland State University and Rogue Farm Corp on this project.

With the use of newly developed tools, OSU is trying to determine the economic impact of local food. Finally, the center is looking at the opportunities and barriers for organic transition.

Drs. Stephenson and Gwinn talked about the Community Food System Network. The Community System Food Network is collaborative work project, with non-profits, to help Oregonians have meaningful access to healthy and affordable foods grown and processed regionally in an environmentally and economically resilient food system that provides entrepreneurial opportunity and fulfilling livelihoods for employees along the supply chain. The Oregon Community Food Systems Network was launched last year.

Finally, Dr. Gwinn spoke about the center's collaboration with the ODA including FSMA, the packhouse experience and market development (farm to school and regional food system infrastructure).

Director Coba appreciates the collaboration ODA has had with OSU.

A question was asked if there was an opportunity for collaboration and support from larger farmers for smaller farmers. Many of the board members responded about the diversity and support of this diversity within their respective commodities.

A question was asked if the center has worked with the commodity commissions. The center has completed a lot of work with Oregon fresh market growers through FSMA.

There was continued discussion around the diversity of agriculture and value that all farmers can provide to the food system. In addition, there was interest in ODA and the center working together to further determine how the organizations can work together to support Oregon agriculture.

The board recessed at 10:19 AM and reconvened at 10:36 AM.

Subcommittee reports

Government Relations: Tracey Liskey reported that David Allaway from DEQ spoke about an environmental food-printing project. The product will look at carbon lifecycle of food from production to consumption. DEQ is in the process of identifying which food will be included in the project. This project was one of the recommendations made by the Oregon Sustainability Board. David provided an example of Protector and Gamble and the company's life cycle analysis on their products. This life cycle assessment identified that the use of laundry detergent at home had the largest carbon footprint. The company then made changes based on this information. The Government Relations committee also received a cannabis update. ODA has hired a Cannabis Policy Specialist and the 2016 legislative session also made some changes to the medical and recreational marijuana program. There was a brief recap of the 2016 legislative session as well as an overview of a few of ODA's proposed LCs for 2017.

Food Safety and Marketing: Tyson Raymond reported that the committee met Dr. Stone, the new director for FIC. The committee also received updates on Black Leg and FSMA, specifically the recent meeting with NASDA and produce rule implementation. FDA wants states to implement FSMA. FDA has announced a cooperative grant agreement opportunity for states that develop a produce rule outreach, education and inspection program. The grant would be administered over a five-year span. In terms of implementation, ODA recommends that commodity inspectors conduct the inspections because of their experience on the farm and the food safety program would support regulatory/enforcement activities.

Using NASS data, states were placed in tiers. Oregon is Tier 3 with an estimated 1,800 farms. FDA expects states to adopt FSMA to its entirety. States would also have to develop an inventory of eligible farms. ODA will need to develop a database of eligible farms. The only way to do this would be to register farms.

There was discussion about what would incentivize a farmer to register.

A question was asked if FDA would accept third party audits. At this point in time, FDA will not accept third party audits since these audits do not meet FSMA requirements however some of the third party certification programs are working on updating program requirements to be more inline with FSMA.

There was a discussion about prioritizing FSMA inspections with limited resources. The prioritizing could be similar to how ODA implements its food safety inspection program in that inspections are based on risk.

If ODA implements FSMA, ODA staff would be responsible for doing inspections on farms that qualify for the produce rule, however ODA does not have resources today to do this.

Oregon would receive approximately \$700,000 per year for FSMA implementation but this does not fully cover implementation costs. ODA's cost for conducting Good Agricultural Practices inspections range from \$1,000 to \$1,500 per farm.

If ODA does not implement FSMA, FDA would be the regulatory agency. The board re-affirmed that they would want ODA to be the lead implementation agency for FSMA.

A question was asked if there is a need for a formal delegation from FDA in order to implement FSMA. The cooperative agreement would cover some of this.

There was continued discussion about FSMA including waivers and variance for water testing.

ODA will be having a call on FSMA on May 12th with interested stakeholders. The purpose of the call is to gather additional input for the cooperative grant agreement opportunity ODA proposes to submit.

A question was asked as if the board needs to provide a resolution or statement about what the board's support of FSMA implementation being conducted by ODA. Board members were encouraged to reach out to industry partners. This will be discussed further at the next board meeting.

A question was asked about exemptions. Exemptions are based on gross sales and other market factors. The exemption is from inspections not compliance however markets might require suppliers to get inspections done regardless of the exemption.

It was also reported that stakeholders are concerned about the public availability of farm information as well as ensuring that there are strong firewalls between certification and regulatory programs. There are challenges to applying a one size fits all regulation to the diversity of farms in Oregon.

The cooperative grant agreement application is due June 3rd.

Land Use: Laura Masterson reported that the Land Use committee received a presentation from OSU staff that is conducting research on succession planning and land access. One of the questions the research is hoping to address is regarding land tenure (who is acquiring farmland). Laura recommended once the research is complete, a full presentation is made to the board.

Jim Johnson provided legislative updates. The proposed pathway for the new Boardman to Hemmingway transmission line has been released. The proposed pathway has tried to avoid high value farmland. As for the shellfish initiative, ODA staff appeared at the interim committee on shellfish development. Legislators were

impressed of ODA's knowledge. There is a real potential for opportunities of shellfish, and aquaculture, on the coast.

Jim spoke to the land use public comment that was provided to the board the day prior. This is a coexistence and compatibility issue. There was further discussion about this issue. Jim thought the concern could be addressed through a rule change versus a change in statute. The Land Use committee could review the definition for "preparation."

Finally, Jim spoke about Senate Bill 1517, which makes wetlands determination, a conditional use in Tillamook County and legislation that allows local government to regulate marijuana.

Natural Resources: Ray Jaindl reported that temporary rules for aerial pesticide applications are almost complete and permanent rules should be completed by 2017. An aerial applicator exam is also being developed and should be finalized mid-year.

As for AGM, this is the third largest eradication effort in Oregon's history. This is a complex and challenging project as it covers 8,000 acres in Forest Park and north Portland, treatment will impact 10,000 residents and the treatment area includes waterways. The environmental assessment is complete and USDA will be issuing a finding of no-significant impact. The director's decision has not yet been issued. Phenology models are being conducted in order to effectively time treatment. The first treatment is currently expected to take place on April 23rd. Three treatments in total, separated by 10 days, will need to occur. The last AGM case in Oregon was 2007.

Stephanie Hallock had a question about the Confined Animal Feeding Operation (CAFO) Permit. Ray reported that the permit was signed. It was requested to have an update of the CAFO Permit at the next subcommittee meeting.

There was a report about the creeping bent grass issue in central and eastern Oregon. ODA has asked for a task force to address this issue be established so that an effective resolution for the stakeholders can be achieved. ODA has played a role by trying to get all the parties talking to each other. The Idaho Department of Agriculture also has concerns with this matter.

The Corps of Engineers is reviewing water reservations. ODA was asked to be part of the process. ODA has been working to gather data that more adequately represents agriculture's water needs. Data for the project needs to be collected within a year.

As for water quality, a farmer in Polk submitted 24 complaints to ODA. ODA is responding to these complaints. Identification of additional SIAs for 2017 is in

progress. ODA is working with the Governor's Natural Resource Office and Oregon Department of Fish and Wildlife.

There was a brief exchange about individual district's experience with respect to SIAs. It was suggested that a more formal feedback loop be created.

A question was asked about the research component of the fertilizer program. The Natural Resource subcommittee will discuss this at their next meeting.

Nominating Committee

Laura Masterson reported that Tracy Liskey, Stephanie Hallock and herself would serve as the Nominating Committee.

Oregon Watershed Enhancement Board (OWEB)

Doug Kraemer reported that approximately \$17 million was allotted at the meeting. OWEB reviewed the budget. There are ongoing discussions about focused investments. Current grant recipients are concerned that this will limit their ability to acquire grants in the future. The only way for the focused investment to work is to put a significant amount of money toward a few projects. OWEB has also allocated \$1 million to ODA for SIA work.

\$150,000 was awarded to the Governor's Working Lands Initiative to do an analysis of working lands and easements and their ability to protect farmland. The initiative includes OWEB, conservation groups, and farm groups. ODA and Oregon Department of Forestry are not part of this workgroup.

Laura has not yet decided what OWEB subcommittees she will be serving on and is open to suggestions from board members.

Other comments

Barbara Boyer reported that she has been invited to assist with the review of Specialty Crop Block Grant applications. Barbara also reported that the last Soil and Water Commission board meeting focused on cannabis.

The board discussed future meeting topics. Dates for upcoming board meetings are as follows:

June 7-9, 2016, John Day

September 11-13, 2016, Pendleton

November 29-December 1, 2016, West Linn area

Board meeting was adjourned at 12:11 PM.