

State Board of Agriculture
May 11 – 12, 2017
Best Western Mill Creek Inn, Salem, OR

Board members present: Pete Brentano, Barbara Boyer, Bryan Harper, Tracey Liskey, Luisa Santamaria, Marty Myers, Tyson Raymond, Dean Dan Arp, and Director Alexis Taylor.

Other members present: Lisa Hanson, Lauren Henderson, Stephanie Page, Bruce Pokarney, Lindsay Eng, Katie Pearmine, Sue Davis, Ray Jaindl, Heidi Penrod, Anne Goetze, Nellie McAdams, Shari Sirkin, Tammy Dennee, Jerome Rosa, Rocky Dallum, Christina Higby, Jeff Stone, Dave Dillon, Tom Danowski, Ivan Maluski, Jenny Dressler, Roger Beyer, Scott Dalhman, Amanda Dalton, Blake Rowe, Katie Fast, Helmuth Rogg, Clint Burfitt, Keith Leavitt, Clair Klock, Mateusz Perkowski, Jason Barber, Brenda Bateman, and Alyssa Mucken.

Chair Brentano called meeting to order at 8:30 AM.

After the Pledge of Allegiance, board members introduced themselves. Staff and guest introductions followed.

Minutes

Tracey Liskey moved to approve the February 2017 State Board of Agriculture minutes as presented. Barbara Boyer seconded. Motion passed unanimously.

Director's Report, Alexis Taylor

Director Taylor reported that she has visited 11 Oregon counties. Director Taylor would like to visit all 36 Oregon counties within the first year on the job.

Director Taylor, Deputy Director Lisa Hanson, and Assistant Director Lauren Henderson met with Ron Sarazin to discuss the Oregon Department of Agriculture's (ODA) draft strategic plan. Director Taylor has recommended adding another key objective to reflect ODA's role in sharing Oregon's agricultural story with the public. The goal is to have a final draft of the strategic plan for the September board meeting.

This week is Public Service Recognition Week. ODA is highlighting its employees and their work. Director Taylor also hosted an open house for staff to watch Governor Brown sign a declaration for State Employee Recognition Day.

Director Taylor reported that Governor Brown recently met with the Secretary of Agriculture Sonny Purdue while she was in Washington, D.C. Trade and immigration were discussed during this meeting.

Director Taylor provided a Malheur County update. All of the cull onions were disposed by April 15th (onion maggot order deadline). Re-building has begun with some growers and packers expanding the footprint of their new sheds. There are

discussions in the legislature that would support economic development in Eastern Oregon. Governor Brown provided \$1 million to support the community's recovery. Some of these dollars were used to build a trench to dispose of the cull onions.

Chair Brentano reported that the governor's office provided a response to the board's letter regarding Malheur County.

Legislative Update, Deputy Director Hanson and Assistant Director Henderson

Deputy Director Hanson reported that the first deadline for bills has passed. ODA is monitoring bills related to dairy air quality, pesticides, genetically engineered (GE) agriculture, and more. With an exception of a GE bill that would hold patent holders liable, many of these bills did not make the first deadline.

ODA had five bills this session. All but one bill has been signed or waiting to be signed by the governor. Senate Bill (SB) 18 which would give ODA authority to implement the Food Safety Modernization Act (FSMA) is that last agency bill to be worked. It has been scheduled for a work session later this month.

Assistant Director Henderson reported that budget discussions are on going. ODA is expecting a budget reduction and fund shifts. The cash balance in the Food Safety Program will most likely be shifted to other areas in the department. The Legislative Fiscal Office is looking to reduce position vacancies. For ODA, this could be as many as 40 positions, equivalent to 15 to 20 full time equivalents. All of these positions are currently vacant. ODA could ask for these positions back.

ODA could receive a few of the requested policy option packages but Other Funds are needed. ODA also expects funding for the Pesticide Analytical and Response Center (PARC) will be shifted to Other Funds. Pesticide registration fees will be used to cover program costs. If the fund shift were permanent, the recent pesticide registration fee increase would not cover PARC administration costs long term.

Funding for the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) Predator Control Program was eliminated in the Governor's Budget but there is indication that funds will be restored for this program. The Governor's Budget also eliminated ODA's Bio Control position. There is potential for this position to be restored.

Director Taylor reported that Governor Brown signed an executive order, which instituted a hiring freeze until the end of the biennium. There are a few hiring exceptions during this time. Agencies must also reduce travel costs by 10 percent in the 2017-19 biennium.

Finally, Deputy Director Hanson spoke about GE bentgrass. When USDA APHIS deregulated GE bentgrass, there was an issue about being able to control GE bentgrass along irrigation canals. ODA worked with industry and others to issue a Special Local Need to allow for the treatment of the GE bentgrass at water's edge.

Food banking and hunger updates, Katie Pearmine, Oregon Food Bank, and Anne Goetze, Oregon Dairy and Nutrition Council

Following introductions, Katie Pearmine thanked the board for their re-packing efforts at the Oregon Food Bank during their December 2014 board meeting.

Katie spoke to the role of food banking. Oregon is one of the few states where food insecurity is growing. One in five Oregonians experience hunger. Housing and other living costs seem to be the cause of this. It is important to note that food banks work “in the margins” and supplement other nutrition programs.

The Oregon Food Bank approaches food insecurity in three ways: (1) food for today, getting food from farms and the food industry to the people who need it; (2) food for tomorrow, focusing on food and nutrition education; and (3) food for all, advocating for policies at local, state and federal level.

Anne Goetze spoke about the Hunger Task Force. The Hunger Task Force was legislatively created in 1989. Anne participates on the task force on behalf of ODA. The purpose of the task force is to study issues related, directly and indirectly, to hunger and provide recommendations to the non-profit group, Partners for a Hunger-Free Oregon. The task force holds listening sessions across the state as a way to study these issues. A listening session was recently held in Boardman. Marty Myers participated in this event. This specific listening session focused on connecting the task force to agriculture.

Katie spoke about the structure of Oregon’s food bank network. There are 21 food banks of which the Oregon Food Bank operates five. The Oregon Food Bank sources and distributes food to this network based on an allocation formula.

Katie reported that food banking is changing. Not all food and calories are created equal. The focus has shifted to sourcing produce, protein, and pantry staples. Donations are important but the food bank works to take advantage of production and processing opportunities. For example, off-grade produce destined for dehydration or juice is purchased by the Oregon Food Bank. This purchase makes the production of the crop cost neutral to the farmer. Partnerships are also central for food acquisition. Katie spoke to partnerships with Pacific Foods, grocery stores, and the organization, Farmers Ending Hunger.

Assuring safe food for clients is very important to the Oregon Food Bank. For example, field bins used to collect produce are sanitized to Global Good Agricultural Practice program standards. The Oregon Food Bank is very interested in working with ODA on FSMA implementation, as it will impact food bank activities.

Tax incentives are available to donors. The federal tax credit was recently enhanced to allow all food businesses the opportunity to use the tax credit. The state also provides a 15 percent tax credit.

A question was asked about gleaners. Katie spoke about the importance of gleaners. For example, Salem Harvest has 3,000 active volunteers that are trained in food safety practices. The group can harvest most types of commodities grown in the valley.

A question was raised about home gardening and if it is there work with the greenhouse industry to source plant starts. This could be an opportunity for the Oregon Food Bank to take advantage of excess nursery inventory.

There was brief discussion about food bank locations and the lack of resources for the Burns community.

A question was asked about tree nut donations. The Oregon Food Bank is working to launch a hazelnut donation program.

Director Taylor spoke about the department's re-packing partnership with Marion-Polk Food Share. Director Taylor also spoke about the Nutrition Title of the Farm Bill. The farm bill expires in 2018.

Public Comment

There was no public comment.

Board recessed at 9:30 AM and reconvened at 9:59 AM.

Jim Johnson distributed a letter to the board from the Department of Land Conservation and Development. This letter was in response to the board's letter regarding solar facility siting.

Immigration panel discussion, Dave Dillon, Oregon Farm Bureau, Jeff Stone, Oregon Association of Nurseries, Jerome Rosa, Oregon Cattlemen's Association, Tammy Dennee, Oregon Dairy Farmers Association, and Tom Danowski, Oregon Winegrowers Association

Jeff reported that recent federal enforcement actions have reinforced agriculture's collaborative work to address this important issue. Immigration reform is not a new issue for agriculture.

Dave provided some history regarding immigration reform. Agriculture has been working on immigration reform issues since the 1990's. Congress was poised to pass immigration reform legislation in 2001 but attacks on September 11th changed the conversation.

There has been collaborative work at the state level on this topic including meetings with the governor. At the federal level, agricultural groups have met with members of Congress, Vice President Pence, and Secretary of Agriculture Purdue.

Jerome spoke about the beef industry and provided the National Cattleman's Beef Association Immigration Reform Policy. The beef industry is very interested in helping current employees find a pathway for legal status. In the beef industry, the immigrant workforce is prominent in beef processing. Some cattle ranchers have a sheep flock and have had success with the H2A program. This program does not work for year round labor needs. This frustrates producers.

Tom reported that the Oregon wine community includes 700 wineries, 11,000 growers, and 17,000 jobs. Much of what is done in the wine industry is done by hand. The agricultural groups recently sponsored an informational forum for agricultural stakeholders. The forum included presentations from US Immigration and Customs Enforcement, US Customs and Border Protection, and attorneys.

Tammy reported that she recently returned from Washington, D.C. The National Milk Producers Federation has prepared a position paper on this topic, which has been distributed to Members of Congress and USDA staff. Federal legislation has been introduced that could help solve some of agriculture's workforce challenges. Tammy also reported that the H2A program does not work for the dairy sector. The dairy sector's workforce needs are year round.

There is a national discussion about transferring the authority of agricultural labor from the US Department of Labor to the USDA since USDA would better understand agriculture's labor needs.

Director Taylor spoke about the state's activities as it relates to immigration. The governor signed an executive order for how state agencies should interact with Oregonians. ODA, and the state, are having conversations about being of mindful of its interactions with immigrants. For example, the Nursery Program announces inspections as a way to reduce fear in the agricultural labor community.

Dave reported that the present timing for immigration reform discussions is not ideal. Next year is not going to be any better as it is an election year. Subsequently, agriculture is trying to engage media and change the narrative.

There was discussion about challenges with the H2A program. The process is expensive and it is difficult to predict the labor need. There have also been challenges with WorkSource Oregon in term of processing applications.

There was a brief discussion of how general state labor laws are creating further challenges for agriculture.

Discussion about immigration challenges continued. It is essential to document the need for agricultural labor and how the lack of labor impacts direct and indirect losses (e.g. pounds of unpicked produce due to unmet labor needs).

The board recessed at 10:39 AM and reconvened at 10:59 AM.

Legislative update from industry organizations

Oregon Association of Nurseries (OAN), Jeff Stone - Jeff spoke about water-related legislative issues. The Governor's Budget includes \$32 million for water investments including \$30 million for projects and \$2 million for feasibility studies. This important investment will help the state through future drought conditions. There are also conversations about a water right management fee and water measurement. OAN is part of a water workgroup led by Representative Helm that meets weekly.

Oregon Dairy Farmers Association (ODFA), Tammy Dennee - Tammy corrected the record regarding the number of dairy farms in Oregon. In 2007, there were 290 dairy farms in the state not 600 as previously reported by others. The decline in the number of dairy farms is due to succession planning challenges, aging in the industry, and workforce availability issues.

One issue ODFA has worked on this session was the bill related to dairy air quality. ODFA is adding educational tools for farmers as well as providing messaging on social media to provide information on this topic. ODFA is supportive of OSU Statewides, the Food and Beverage Roadmap, and ODA's Confined Animal Feeding Operation (CAFO) Program. Tammy spoke to the manure tax credit bill that would remove the tax credit sooner than originally agreed upon. Finally, Tammy reported that ODFA recently visited Washington, D.C. to discuss the Farm Bill and the Margin Protection Program.

Friends of Family Farms (FOFF), Ivan Maluski - Ivan spoke about the Beginning Farmer Tax Credit proposal. The bill is in House Revenue and did not get a chance to be discussed in a policy committee like House Agriculture. This bill was modeled after a program in Nebraska. SB 197 (dairy air quality) was discussed but did not make the deadline for action. Dairy air quality is a topic of interest especially since the CAFO permit for Lost Valley Farm was approved. Senator Dembrow will be pulling together a workgroup to discuss air emissions around dairy farms in the Columbia Gorge. Ivan spoke about the digester tax credit bill. Discussions are on going. FOFF would like to limit the availability of the tax credit. As for GE agriculture, the issue of local control was discussed in both the House and Senate. An informational hearing regarding co-existence, mediation, and contamination is expected to be scheduled for later in the session. House Bill (HB) 2739, which would allow farmers who discover the unwanted presence of GE material on their land to seek damages from the patent-holder of those crops, has been referred to the House Rules Committee.

FOFF has been advocating for Farm-to-School, OSU Statewides, SB 677, on-farm cider sales, and HB 3116, sale of ungraded eggs at farmers markets.

Oregon Cattleman's Association (OCA), Rocky Dallum - Antibiotic bills were a priority issue for OCA. There have been a few animal welfare bills in which OCA has worked with Oregon Farm Bureau and Oregon Humane Society. OCA has been monitoring the budget situation and advocating for continued support for Wildlife Services, the Noxious Weed Program, and sage grouse issues. A transportation package that

supports getting product to market is also important. Water issues related to measurement, reporting, and water rights determination are also being monitored.

Oregon Farm Bureau (OFB), Jenny Dressler - OFB worked with beekeepers on amending the beehive registration fee as well as a fix for agricultural mediation program. SB 299, which provides clarity around paid sick leave, is waiting for a hearing in the House. OFB is concerned about additional operating costs for agricultural operators and oppose new mandates like paid family tax, and predictable scheduling. Transportation (freight mobility, working ports, and rural access) is another important issue. OFB supports of Farm-to-School, the crop donation tax credit increases, as well as the farm worker housing tax credit. The agricultural heritage bill and the pollinator habitat pilot program are both in limbo as there is a financial impact associated with each of these concepts.

Oregon Seed Council (OSC), Roger Beyer - HB 2785 addresses an issue for a grower who lost their straw facility to fire and was required to pay \$150,000 for wetland mitigation when he tried to replace it. An informational hearing about wetlands is expected later this session. Roger spoke about the importance of transportation. Grass seed straw was the number one commodity, by volume, being exported from the Port of Portland. It is now going to Port of Tacoma. Grass seed growers are working with USDA to open new markets in China, Saudi Arabia, and India; help with these conversations is appreciated. Perennial ryegrass acreage is down 22 percent as a result of the weather.

Oregonians for Food and Shelter (OFS), Katie Fast - Katie reported that the revenue forecast is expected next week. The Natural Resources Subcommittee Co-Chairs released an all-cuts budget. In this budget, funding for Wildlife Services and ODA's Bio Control position were restored. OFS is concerned about fund shifts for both PARC and the Food Safety Program. Pesticide registration fees were doubled last year to provide more resources for pesticide investigative work, however, increased work related to marijuana is causing a drain to program resources and there is concern that a pesticide registration fee increase will happen sooner than later. The fund balance for Food Safety Program is important, as it is needed to respond to food safety issues.

Bills related to pesticides, biotechnology, and fertilizer did not move out of committee but it does not mean the issue will go away. For example, Lincoln County has a ballot initiative that would ban aerial pesticide application. Additional initiatives like this are expected for 2018.

Katie spoke about concerns related to the Pesticide NPDES General Permit administered by the Oregon Department of Environmental Quality (ODEQ). Concerns about worker protection standard, as it relates to the application exclusion zone, were also discussed.

A question was asked about the application exclusion zone and how it would be applied to pesticide applications adjacent to roads. In this scenario, the pesticide applicator would need to stop the application and wait for the car to pass by before application could resume.

Katie also spoke to shelter in place. This was not included in the worker protection standard but Oregon Occupational Safety and Health did convene a workgroup on this matter.

Oregon Wheat Growers (OWG), Blake Rowe - Blake reported that 85 to 90 percent of the wheat produced in Oregon is exported. Oregon wheat growers are competing in a global market. Blake spoke to the challenges for wheat growers including minimum wage increase, new sick leave laws, low carbon fuel standards that increase fuel costs, pesticide reporting (additional training), statewide retirement plan reporting, lost shipping opportunities at the Port of Portland, and worker protection standards (additional training). This session there have been discussions around carbon regulation, predictive scheduling, liability related to GE traits (could limit plant breeding research at OSU), labeling of neonicotinoids, water right fees, water measurement, paid family leave, tax write-off eliminations, gross revenue tax proposals, proposed cuts to Wildlife Services, and reduced service levels for statewides.

Beneficial investments for Oregon's wheat growers include state policy that encourages co-existence, Port of Morrow's Connect Program, tax incentives for processing equipment, and the one time funding increase for OSU Statewides in 2015.

Blake reported that other domestic and international markets are undercutting Oregon commodities. Farms need to be competitive so that there are not concerns about consolidation and loss of farmland.

Columbia Gorge Fruit Growers, Amanda Dalton - Amanda reported that during a recent public meeting in Hood River, fruit growers expressed concerned about the amount of agricultural land that has been taken out of production due to challenges with regulations. Amanda spoke about SB 1 a bipartisan bill that would provide farmers a tax credit for providing qualified farm worker housing. If the bill does not get funding, proponents are hopeful that the framework could still be established. Farmers have concerns about removing sunsets on tax credits. As for pay equity, the Columbia Gorge Fruit Growers appreciate the work on this bill, as it will proactively address equity issues. Finally, the Columbia Gorge Fruit Growers is hopeful that discussions for paid family leave would mirror other states.

Oregon Winegrowers, Tom Danowski - Tom reported that the winegrowers are supportive of the Food and Beverage Roadmap and hope that funds will be allocated to OSU's Fermentation Program. Tom reported that much of what was said by previous panelists is applicable to the wine growers and retailers.

Meeting was adjourned at 12:01 PM for lunch. Following lunch, the board toured 47th Ave Farm at Grand Island.

Meeting was called back to order on Friday, May 12, 2017 at 8:33 AM.

Japanese beetle update, Clint Burfitt, Invasive Pest Prevention and Management Program Manager

Clint provided an update on the Japanese beetle (JB) eradication project. Clint provided a map that showed the JB treatment boundaries. With three treatment teams, ODA has treated 1,700 out of 2,500 properties. At this time, 177 properties have been unresponsive to ODA's requests for treatment. ODA has requested administrative warrants for these properties.

ODA is now focusing on green waste containment efforts. Green waste is currently going to composting stations. Effective composting can kill JB, however this is not the case with current composting practices. Since this compost is sold for retail purposes it is important to not re-infect the treatment area or spread JB. Yard debris will now be diverted for deep burial at the Hillsboro landfill. Deep burial will be required for two JB flight seasons.

ODA is also working to permit a site for landscapers to drop off material for deep burial. This service is free to incentivize landscapers to use the service.

Clint spoke about collaborative communication efforts for this project. This collaborative design methodology has allowed everyone access to the process. The community of Cedar Mill, homeowner associations, and the local newspaper have been partners in telling the story.

Clint provided a surveillance map. 2,400 traps will be placed in the treatment area this year. Trapping results will be used to develop future treatments strategies.

As for biological controls, ODA has initiated a national discussion to revive the presence of biological controls at high-risk sites like airports. ODA is also working through the permitting process to create a quarantine lab at OSU.

USDA has been dealing with JB since 1918. Over half the country has JB established.

There was a brief discussion about residents who have not yet responded to ODA's request for treatment.

A question was asked about treatment. The insecticide used treats the juvenile stages of JB. The insecticide is not toxic enough to kill the grubs so adults will emerge in July. When females deposit their eggs in the grass later in the season, the insecticide will be there for the eggs to feed on. The insecticide is not toxic enough for a dermal dose; the beetle has to ingest the insecticide. Subsequently, more JB are expected this summer. A decline in population can be expected in 2018.

Port of Portland update, Keith Leavitt, Chief Commercial Officer, Port of Portland
The mission of the Port of Portland is to enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets, and by promoting industrial development.

The port consists of a nine-member commission appointed by the governor and confirmed by Senate. The port is in the process of bringing on a new executive director. Bill Wyatt is retiring in June.

There are three lines of business at the Port of Portland: industry, airport (Portland, Hillsboro, and Troutdale), and marine transport. The Portland airport has seen growth in the number of passengers the last few years with over 18.3 million passengers, 17 airlines, and 80 nonstop destinations in 2016. International passenger service, although a small market, has also grown to 11 locations (from five). Cathay Pacific recently expanded its service to Portland. This airfreight service transports perishable commodities (blueberries, cherries, and seafood), Nike products, and tech products.

As for marine transport, there are four terminals at the port. Terminal 6, which is of most interest to agriculture, consists of 420 acres including a 50-acre intermodal rail facility.

Keith summarized some of the recent events at Terminal 6. A labor dispute between West Coast port operators and the International Longshore and Warehouse Union led to decreased productivity at Terminal 6. Hanjin Shipping, which provided service to Asian markets, Hapag-Lloyd, which provided service to European markets, and Westwood Shipping all left Terminal 6. Recently, the port mutually agreed to terminate its lease with International Container Terminal Services, Inc.

The port is rich in agricultural products, which provide export opportunities. Hay and animal feed comprised 36 percent of products exported by Terminal 6. Having export opportunities is unique as most ports are import only. Portland imports items such as automobiles, furniture, and clothing.

Keith spoke further about marine transport. Marine vessel size is increasing. The largest vessels are 21,000 TEU (twenty-foot equivalent unit). The Columbia River can accommodate vessels that are 4,200 TEU. The average vessel size in 2011 was 4,200 TEU, now it is 8,000 TEU. Unless the river channel is deepened, the port will not be able to accommodate larger vessels.

There is also a lot of consolidation in the ocean carrier business. Over the last decade, the number of global carrier companies decreased from 20 to 14. This is difficult in terms of a marketing standpoint because it is challenging to identify which carriers to target for recruitment.

Labor and market concerns need to be addressed by the port prior to carriers returning to Portland. Carriers will need to see that productivity is good and Portland needs to re-earn its reputation.

As for next step, the port is developing a strategy for Terminal 6. The goal is to determine the port's future role in container shipping and recommend a sustainable business model for developing and managing future business opportunities. For example, the port will study its role as a feeder facility to other west coast terminals (like Boston is to New York). The port will be working with stakeholders to develop recommendations that the commissioners will consider later this year.

Integrated Water Resources Strategy Plan, Alyssa Mucken, Oregon Water Resources Department

Alyssa reported that the Oregon Water Resource Department (OWRD) is in the process of updating the Integrated Water Resources Strategy (IWRS). OWRD is required by law to update the IWRS every five years. Alyssa spoke to agriculture's role with the development of the first IWRS as well as the update. Tracey Liskey participated in the Policy Advisory Group and ODA staff provided technical information and feedback. The updated IWRS is open for public comment until June. The Oregon Water Resource Commission would like to adopt the updated IWRS by fall.

As background, HB 3369 (2009) directed OWRD to understand and meet Oregon's water needs which lead to the creation of the IWRS. The bill directed OWRD to partner with Oregon Department of Fish and Wildlife, ODEQ, and ODA. The first IWRS was finalized in 2012.

Since this is the first update to the IWRS, OWRD did not want to overhaul the document entirely. A more comprehensive review will likely occur in 2022.

Alyssa walked the board through the updated IWRS. The IWRS is organized into four chapters:

- Chapter 1: Understanding Water Resources Today
- Chapter 2: Understand Instream and Out-of-Stream Needs
- Chapter 3: Understand the Coming Pressures that Affect our Needs and Supplies
- Chapter 4: Meet Instream and Out-of-Stream Needs

There are 51 total recommended actions in the IWRS. Alyssa highlighted some of the new recommendations, which include, but are not limited to:

- Plan and prepare for extreme events (drought, flood, and earth quake)
- Ensure public safety/dam safety
- Provide an adequate presence in the field
- Strengthen water quantity and water quality permitting program
- Develop additional groundwater protections
- Invest in local/regional water planning efforts

- Invest in the implementation of water resource projects

Tracey reported on his participation in the Policy Advisory Group. The group's work was very high level due to the diversity of stakeholders and the timeline.

There was a discussion about connectivity of surface and ground water and the need for more science around this topic. There was also a discussion about in-stream storage and re-charge projects.

The board recessed at 10:37 AM and reconvened at 10:54 AM.

Board Business

Government Relations Committee - Tracey reported that the subcommittee received a presentation from the Oregon Department of Fish and Wildlife regarding Oregon's wolf management plan. In 2016 there were 112 known wolves, 11 packs, and eight breeding pairs. Average pack size is four to 10 animals. Different parts of the state have different levels of wolf recovery. The purpose of the presentation was to study the topic in order to update the board's wolf resolution (Resolution #298).

The subcommittee also heard from Tim Bernasek to receive an update on collective bargaining. The committee studied this topic to update the board's collective bargaining resolution (Resolution #266).

Tracey distributed proposed edits to Resolution #226 and motioned to approve the revised language as presented. Tyson Raymond seconded the motion. Discussion regarding the process to update resolutions ensued. After discussion, Tracey withdrew his original motion. Tyson Raymond agreed. There were no objections.

The subcommittee also received an update on the water situation in Klamath Falls. The Klamath Tribe has made a call for water. The tribe's water right has a priority date of time immemorial. The call affects three rivers. There is concern that all the efforts and relationships formed during the development the Klamath Basin Restoration Agreement (although never ratified) will be undone.

There are a lot of grazing cattle in the Klamath area that rely on surface water for stock water. With the call, there will be no water for the cattle unless wells are drilled. With the lack of surface water, there will be no water for irrigation and less grass available for grazing. Since grazing cattle move from southern Oregon to Washington to follow the grazing season with the final destination being processing in Washington, there is concern that with fewer cattle in the area, fewer cattle overall will be processed in Washington.

Natural Resources Subcommittee - Barbara reported that the committee received an update on the NPDES Pesticide Permit update. Not much activity has taken place since the board discussed the issue in February. The immediate issue is those that need a permit do not have a permit to register to. Other industry concerns about the

NPDES permit were discussed. There was a question about whether the Environmental Quality Commission (EQC) will play a role in the adoption of the permit. It is expected that the EQC will play a role in the permit issuance.

Ray discussed the Memorandum of Understandings, Memorandum of Agreements, and Intergovernmental Agreements that the Natural Resource Program Area holds. These are tools used to coordinate department activities.

Barbara reported that the committee received an update from the Agriculture Water Quality Program. High rainfall this winter made it difficult for cover crops to get established, thus erosion was seen this year. There was a discussion about unusual weather patterns, messaging to farmers, and importance of being proactive on these issues. The process to select the next Strategic Implementation Areas has begun.

A pesticide use update for marijuana growers was provided. Marijuana is required to be tested for pesticides. Marijuana that fails pesticide testing is referred to ODA. ODA also receives referrals when marijuana passes the required pesticide tests yet evidence of an unauthorized pesticide is detected. ODA has received 126 referrals. Instead of issuing compliance actions for each of these referrals, ODA developed the Marijuana Compliance Assistance Program (MCAP). MCAP focuses on grower education and outreach. After completion of the MCAP agreement, if the grower uses an unauthorized pesticide, a violation will be issued. ODA is trying to balance the need for education for this new industry while maintaining resources for other program work. 125 out of 126 growers are participating in MCAP.

Marketing and Food Safety - Tyson reported that Sue Davis was hired to help with the implementation of FSMA. The subcommittee also received an update on the Food Safety Program's Strategic Plan Response to the Secretary of State audit. The subcommittee also discussed Resolutions 301 (Farmer's Choice of Production System) and 142 (animal welfare). The subcommittee will be working on updates to present to the board.

Lindsay reported that the Food and Beverage Roadmap is complete. Recommendations include research and development investments and branding. There was an attempt to brand products in the past. ODA has issued a request for proposal to conduct focus groups and study the branding recommendation. 48 states have some sort of state branded food and beverage.

Land Use - Laura reported that Jim provided a legislative update to the subcommittee. Affordable housing is a big discussion item. There are also several super-siting bills, which would circumvent the established land use process.

Jim spoke specifically about SB 432, which would exempt counties east of the Cascades with no population growth from Oregon land use planning goals. This would impact many state agency programs. Agencies are working together to raise concerns to legislators.

Land use bills are also being assigned to the Joint Marijuana Committee. There is concern that cannabis will be regulated differently than other agricultural commodities. Local governments have authority to apply time, place, and manner regulations for cannabis production but local governments are applying these cannabis restrictions to other types of agriculture.

The subcommittee will be developing a position paper on energy facility siting.

There was discussion about public involvement in subcommittees. Protocols will be a future agenda item.

Oregon Watershed Enhancement Board (OWEB) Report

Laura reported that OWEB received an update on the IWRS. Grant requests were approved. Acquisitions of easements were made in Central Oregon. OWEB discussed a potential easement acquisition on the coast but there was discussion about impact to neighboring farms and floodgate management.

Other Reports

Barbara reported that she was invited to participate in the Specialty Crop Block Grant Program grant review. The state has approximately \$1.4 million to award.

Nominating Committee Report

Nominating committee was comprised of Tracey, Pete, and Laura. Tracey moved to nominate the following slate of officers, Barbara Boyer, Chair, and Tyson Raymond, Vice-Chair. Laura seconded to accept the officer slate as presented. Motion passed unanimously.

Future meeting dates and locations are as follows:

November 28 - 30, 2017, Portland

February 20 - 22, 2018, Salem

Board has expressed interest in visiting Southern Coast and Wasco County in 2018.

Meeting adjourned at 12:28 PM.