



Oregon State Board of Agriculture Minutes

| DATE | LOCATION | START TIME | END TIME |
|---------------|--------------------------|------------|----------|
| 05/04-05/2022 | Corvallis, OR and hybrid | 8:30 AM | 12:00 PM |

| FACILITATOR | CONTACT EMAIL | CONTACT PHONE |
|---------------|------------------------------|---------------|
| Karla Valness | Karla.Valness@oda.oregon.gov | 503.986.4554 |

Meeting recording available at:

May 4: <https://youtu.be/BJRFJXrwmcM>

May 5: <https://youtu.be/awb0vtldyBQ>

Wednesday, May 4, 2022 (Audio = 0:00)

Agenda Item 01

Chair Bryan Harper called the meeting to order at 8:30 am. Introductions of board members followed.

- Board members present: Chair Bryan Harper, Vice-chair Luisa Santamaria, Barbara Boyer, Miguel Lopez, Elin Miller, Eric Orem, Randi Svaty, ODA Director Alexis Taylor, OSU Dean Staci Simonich
- Board members present by remote: Chad Allen
- Board member excused: Shantae Johnson, Josh Zielinski
- Others present: Lauren Henderson, Jonathan Sandau, Jess Paulson, Isaak Stapleton, Rusty Rock, Chris Benemann, Jim Johnson, Karla Valness, Andrea Cantu-Schomus, Regan Coordes, Taylor Sarman, Katie Murray, Bill Miller, Karin Stuzman, Claire Waggoner, Mary Anne Cooper, Lucia Rodriguez, Jennifer Wigal, Derek Godwin

Remote: Tami Kerr, Tracy Loew, Stuart Reitz, Mike Doke, Dave Losh, Sunny Summers, Hilary Foote, Nichole Mann, Phoebe Wagner, Anne Johnson, Erin Roby, Molly Pearmine McCargar, Timothy Mahern-Macias, Mitchell Hannoosh, Renee Stapleton, Shannon Hoehna, Martin Jarvis, Megan Kemple, James Fraser, Wym Matthews

Agenda Item 02 – OSU College of Agricultural Sciences (Audio = 6:34)

Staci Simonich, OSU Dean of Agriculture joined her first Board meeting as Ex-officio since being appointed Dean in March 2022. Dean Simonich has been with OSU for 21 years and is honored to be named the first female Dean of Agriculture and represent OSU and the College of Agriculture. The college is embedded in 36 counties through extension and has 14 experiment stations across the state. The college has defined four areas of focus they call their strategic advantages: 1) coastal food systems and conservation 2) food innovation for health markets and access 3) agricultural competitiveness and resilience and 4) working in natural landscapes. Dean Simonich looks forward to learning more from the Board and continuing to build strong and vital relationships between Oregon agriculture and OSU.

Approval of minutes (Audio = 15:55)

Draft minutes from the September 15, 2021, board meeting was presented for review and approval.

MOTION:

A motion was made by Elin Miller to approve the minutes with no changes or corrections. Seconded by Barbara Boyer. No discussion. Motion passed unanimously.

Director’s report (Audio = 16:23)

Director Taylor shared the following updates with the Board.

- Welcomed Dean Simonich to the Board as an Ex-officio. OSU is a great partner, and we look forward to the continued partnership under your leadership at the College.
- ODA continues to hire new staff, and some moving positions are filling new roles in the agency. Specifically, Jonathan Sandau has been appointed as the new Assistant Director for the agency. He has shown tremendous leadership over the past two years, and we are excited for him to step into this new role. Rusty Rock has recently been promoted to the Food Safety Animal Health Program Area Director. Rusty was working as the interim Program Director over the past eight months and was recently selected to fill the permanent position. Lucia Rodriguez has recently joined the Director's office as the new Executive Assistant to the Directors.
- The State has reopened buildings to the public as of May 2. Visitor access to the ODA building has changed. We have gone to a more controlled access to the building for security reasons. Guests to the building will be asked to check-in at the reception window and then be escorted to the program they are meeting with to conduct business.
- ODA received a couple of new grant programs, specifically the \$2 million Meat Infrastructure and Processing Capacity Building grant program. The grant cycle has closed, and we received 44 applications with a \$14.5 million ask in projects which shows a lot of interest in this funding. We are in the process of reviewing the applications and making the awards. At the same time, we have submitted to the Emergency Board a request for additional funding to support this work.
- The ODA also received \$450,000 for additional grant funding for the noxious weed program. We did a call for applications and after the review we will be able to fund 18 grants across the state.

Agenda Item 03 – ODA's Budget and Legislative Update (Audio = 25:24)

Deputy Director Lauren Henderson and Assistant Director Jonathan Sandau discussed with the Board the draft 2023-2025 ODA Legislative Concept (LC) and the Program Option Package (POP) list for the ODA. The agency is in the early stages of developing the agency budget request which is due to the Governor's office on September 1. As we prepare the budget request, we will work to maintain the budget we have and look to build capacity in the agency. The draft 2023-2025 ODA LC-POP list was developed by the agency program directors and staff with preliminary budget estimates and will be finalized as we move forward. The list has been shared with a large group of stakeholders for input and will also be shared with other agencies as the process moves forward for input. Currently the agency has proposed five concepts with three of the five listed as placeholders. A brief review of the proposed Program Option Packages (POPs) for each ODA program area are also included on the draft list. Deputy Director Henderson and Assistant Director Sandau addressed follow-up questions from board members. Additional information will be shared with the board members as the 2023-25 ODA budget development process moves forward.

Resource:

- 2023-25 ODA LC-POP List

Agenda Item 04 – Farm Worker Housing Programs and Stakeholder Perspectives (Audio = 55:54)

The board heard from a panel of speakers Molly Pearmine McCargar, Pearmine Farms, Inc.; Erin Roby, Columbia Gorge Fruit Growers; Renee Stapleton, Oregon OSHA; and Martin Jarvis, Oregon Housing and Community Services. The agricultural industry panel members spoke about agriculture labor housing and how the current tax credit programs are an important piece to offset the cost of housing. On farm housing is critical for the labor workforce and tree fruit growers in the Hood River and Wasco counties. Housing in those two Oregon counties make up two-thirds of all the registered labor housing in the state. It is fairly cost prohibitive in terms of finding affordable housing in this area so being able to provide housing is critical. In addition to the current tax credit program for new construction, both representatives mentioned future programs to support housing maintenance or credits for utility costs would be beneficial.

Next on the panel was Renee Stapleton with Oregon OSHA who spoke about the Occupational Safety and Health Act and the Oregon Administrative Rules related to agricultural labor housing and related facilities. The rules regulate what is expected in the labor housing and rules that apply. The rules apply based on a condition of employment. If workers living in the house are no longer working for the employer, then housing would not be considered a condition of employment. If workers are only allowed to live in the housing if they are working for the employer, then that would be considered a condition of employment and the housing would fall under the labor housing rules. OSHA requires that housing is registered one time unless there are significant modifications. She continued to talk through and show examples of different housing situations.

Next on the panel was Martin Jarvis with Oregon Housing and Community Services who spoke about the Agriculture Workforce Housing Tax Credit Program. This program was established about 25 years ago and is currently funded at roughly \$16.7 million per biennium to give a state income tax credit to investors who incur costs to construct, install, acquire, or rehabilitate agriculture workforce housing. There is a set-aside for on-farm projects of \$1.67 million per year. The tax credit cannot be applied to land acquisition. More information about the program and the application process can be found on-line. Questions and discussion followed about some of the challenges for producers to navigate the process to use the tax credit program.

Resource:

- Oregon OSHA Agriculture Labor Housing presentation
- Oregon Housing and Community Services Agriculture Workforce Housing Tax Credit fact sheet

Break

The Board recessed for a 15-minute break and reconvened at 10:30 AM

Agenda Item 05 - Public Comment (Audio = 1:59:10)

Board members received written public comments from Stacey McLaughlin, Myrtle Creek, OR regarding ORS 607. The Board heard verbal comments from Stacey McLaughlin, Myrtle Creek, OR; Dave Losh, USDA-NASS; Taylor Sarman, Friends of Family Farmers; Mary Anne Cooper, Oregon Farm Bureau; Katie Murray, Oregonians for Food and Shelter.

Agenda Item 06 – ODA Agricultural Water Quality Management Program and DEQ Memorandum Process Update (Audio = 2:21:24)

Representatives Isaak Stapleton and Marganne Allen from the Oregon Department of Agriculture (ODA) and Jennifer Wigal from the Oregon Department of Environmental Quality (DEQ) gave an overview of the ODA Ag Water Quality program. The summary included a review of the policy framework, programs, and partners.

The policy framework begins with the Environmental Protection Agency (EPA) Federal Clean Water Act. In Oregon, the DEQ is the delegated authority to monitor and develop criteria to meet water quality standards, identify impaired waters and develop and implement Total Maximum Daily Loads (TMDLs).

The ODA Ag Water Quality Program is one of the state agencies that partner with the Oregon DEQ to meet those standards, using an outcomes based regulatory program which relies on area rules as well as local advisory committees to create local plans tailored to their conditions on the ground and implement activities to prevent and control water pollution from ag activities. The ODA Ag Water Quality Program assists farmers and ranchers to address water pollution and helps the industry prevent and control water pollution from agricultural activities.

ODA's Agricultural Water Quality Program prioritizes work in these areas:

- Streamside vegetation: agricultural activities must allow streamside vegetation to establish and grow to provide shade on perennial and some intermittent streams, stabilize banks, and filter pollutants. These efforts also result in improved fish and wildlife habitats.

- Erosion control: keep soil in place and out of streams and ditches.
- Manure and nutrients: use efficiently to keep them out of streams and ditches.

Working with local advisory committees and partnerships with the state's 45 Soil and Water Conservation Districts (SWCD), the program has created 38 watershed-based Agricultural Water Quality Management Areas throughout the state, each with an Agricultural Water Quality Management Area Plan and Rules. Regulations provide landowners the flexibility on how to achieve required outcomes suitable for their farm or ranch. In addition, the SWCD partnership provides local experts and technical assistance to landowners to meet the standards.

In addition to the Management Area Plans, the Ag Water Quality Program developed a systematic approach to assess conditions on agricultural lands that may impact water quality. These focus areas and Strategic Implementation Areas (SIAs) help prioritize resources to improve the water quality associated with agricultural lands and activities.

A Memorandum of Agreement between Oregon DEQ and ODA is in place to assist agencies with collaborative efforts to meet legal obligations relating to agricultural nonpoint source pollution and clarify roles, responsibilities, and program coordination. The two agencies are currently working through a process of updating the current MOA with the goal of having the revised MOA completed by then end of 2022.

Resource:

- ODA Agricultural Water Quality 101 presentation

During the afternoon board members, guests and ODA staff toured OSU Willamette Valley Agriculture and Water Quality Long-term Study locations along Oak Creek to see and discuss the ag water quality and quantity study and give board members a first-hand look at how these programs and plans are working. The tour was hosted by OSU's Dr. Carlos Ochoa and Derek Godwin.

The meeting recessed at 4:30 pm until Thursday, May 5, 2022.

Meeting recording available at:

May 5: <https://youtu.be/awb0vtldyBQ>

Thursday, May 5, 2022 (Audio = 0:00)

The meeting was called to order at 8:30 am by Chair Bryan Harper. Introductions of board members, ODA staff and guests.

- Board members present: Chair Bryan Harper, Vice-chair Luisa Santamaria, Barbara Boyer, Miguel Lopez, Elin Miller, Eric Orem, Randi Svaty, ODA Director Alexis Taylor, OSU Dean Staci Simonich
- Board members present by remote: none
- Board member excused: Chad Allen, Shantae Johnson, Josh Zielinski
- Others present: Lauren Henderson, Jonathan Sandau, Jess Paulson, Rusty Rock, Chris Benemann, Jim Johnson, Karla Valness, Regan Coordes, Susanna Pearlstein, Bill Miller, Claire Waggoner, Sunny Summers, Mike Odenthal

Remote: Casey Prentiss, Isaak Stapleton, Andrea Cantu-Schomus, Mike Badzmierowski, Wym Matthews, Anne Johnson, Tracy Loew, Shannon Hoehna, Stuart Reitz, Katie Murray, Tami Kerr, Nicole Mann, Hilary Foote, Megan Kemple, Mike, Morgen, Phoebe Wagner, Julia, Nirvana Cook

Agenda Item 07 – ODA Produce Safety Program Overview (Audio = 2:02)

Susanna Pearlstein, ODA Produce Safety Program Manager and Casey Prentiss, ODA Market Access Assistant Program Area Director gave an overview and update on the status of ODA's program. They covered updates to the Food Safety Modernization Act (FSMA) Produce Safety rules, ODA's current program and the partnership with Oregon State University, FDA-led inspections and discussed how the ODA program would change if the ODA contracted to perform the FDA inspection work.

ODA's current program, funded by FDA, includes education and outreach, technical assistance and creating a farm inventory. While funding is currently available from FDA to conduct inspections, it is unclear if the FDA funding went away if the monetary burden would fall to the states to fund. In addition, parts of the Produce Safety rule have been put on hold and have not yet been finalized so it is unclear what additional inspection requirements may look like. ODA is currently conducting outreach with Oregon growers

about ODA contracting with FDA to take on the role of the inspection program. Currently much of the industry is not in favor of ODA taking on this role. If ODA decides to take on the inspection role the last date to apply for funding is March 2023. The program will continue to conduct outreach and provide updates to the Board as requested.

Resource:

- ODA Produce Safety Program presentation

Agenda Item 08 – ODA Hemp Program Update (Audio = 49:48)

ODA Deputy Director Lauren Henderson provided an update on the status of ODA being able to conduct criminal background checks that are required by our state plan and state law. As of this morning the FBI has not granted permission for ODA to access the national database system to conduct the background checks. Resources from the Oregon Department of Justice, the Oregon State Police and the Governor’s office have all been asked to help resolve this issue. Currently we have several hundred growers who have been waiting for months on the background checks to be issued a license by ODA and get plants in the ground. Until this issue is resolved we will have assistance from the Oregon State Police to conduct an Oregon only background check that will allow us to move forward.

ODA Cannabis Policy Coordinator Sunny Summers and ODA Hemp Manager Mike Odenthal provided additional hemp program updates. Mike discussed the status of staffing in the hemp program. The program currently has 12 positions in the program and are currently recruiting for three positions including the program manager position. Mike shared he is planning to retire in August 2022. The program continues to follow-up on operation Table Rock which was conducted last summer. Follow-up includes contested cases, issuing civil penalties and follow-up with the presumptive marijuana growers that have been issued orders of destruction. Sunny discussed work related to other items within House Bill 3000 and the related rulemaking that will be conducted this summer.

The Oregon Legislature has created the Hemp Commission and they are currently working with temporary members appointed by Director Taylor as laid out in statute to set up their administrative process, draft administrative rules to operate which need to be adopted by September. Next steps will be to appoint commissioners based on the rules they establish and then they will get on an annual appointment cycle.

Resource:

- Operation Table Rock Handout

Agenda Item 10 – Public Comment (Audio = 1:16:54)

Board members received two written public comments. Written comments were received by Megan Kemple, Oregon Climate and Agriculture Network regarding resolution 319; and Mary Anne Cooper, Oregon Farm Bureau regarding resolutions 107, 281, 309, 319, 301, 307, 317 and 318.

The Board heard verbal comments from Megan Kemple, Oregon Climate and Agriculture Network regarding resolution 319; and Mary Anne Cooper, Oregon Farm Bureau regarding resolutions 107, 281, 309, 319, 301, 307, 317 and 318.

Agenda Item 09 – USDA Climate Smart Commodities Grant Update (Audio = 1:20:44)

Mike Badzmierowski, ODA’s soil health specialist provided an update to the board on the USDA Climate Smart Commodities grant. The USDA funding would provide an opportunity to finance pilot projects that create market opportunities for climate smart commodities that are produced using agricultural (farming, ranching, or forestry) practices that reduce greenhouse gas (GHG) emissions or sequester carbon. The ODA grant proposal has three goals 1) establish a statewide grant program to assist agricultural producers in Oregon 2) voluntarily conduct a no-cost soil health program to assess the current “State of Soil Health” in Oregon and 3) Collaborate with local leaders to create market opportunities for climate-smart commodities produced in Oregon. The ODA grant proposal is due to be submitted on May 6.

Resource:

- ODA USDA Climate-Smart Agricultural Commodities grant presentation

Break

The Board recessed for a 15-minute break and reconvened at 10:20 AM

Agenda Item 11 – Oregon Disaster Assistance Program (ODAP) and Grasshopper Cost-Share Programs (Audio = 1:49:02)

ODA Assistant Director Jonathan Sandau and ODA Program Manager Alan Hanson provided background and updates on the Oregon Disaster Assistance Program (ODAP) and the Grasshopper and Mormon Cricket Suppression Program.

The Oregon Legislature approved \$40 million in funding to the ODA for the ODAP program for farmers and ranchers who suffered financial losses during one or more of the natural disasters that hit Oregon in 2021. The ODAP program includes forgivable loans to eligible farmers designed to provide direct assistance payment to producers where there are gaps in the federal funding or act as a bridge loan until federal disaster funds are paid.

The ODA has contracted with four lending institutions familiar with agriculture to accept ODAP applications. The application period will open later this week and will be open until June 3. Based on the first phase of applications and funding requests, a second phase will be opened as needed. Please share information about the program with your networks and direct them to the ODA webpage or lending institution for assistance.

In addition to the \$40 million approved by the Legislature, \$5 million was allocated to the ODA to develop a Grasshopper and Mormon Cricket Suppression Program. This program includes one-time funding to help combat the expected severe outbreak. The funds will provide resources to support grasshopper and Mormon cricket control and a cost-sharing program to reduce the cost of eligible suppression efforts. Applications for the program will be due by August 2022. More information about the program and how to apply can be found on the ODA website.

Agenda Item 12 – Board work session on 2023 Board of Agriculture Industry Report (Audio = 2:16:12)

The Board discussed the purpose of the report and steps forward to develop an outline and topics to include in the 2023 report. Suggested topics include disaster impacts, climate, ag workforce, and supply chain challenges. Development of the outline and topics will continue at future meetings.

Agenda Item 13 - Board Business (Audio = 2:28:44)

ODA Program Area Reports

Chair Harper thanked ODA staff for the quarterly reports and asked if Board members had any questions on the reports. No discussion or questions by board members.

OWEB Report

Barbara Boyer reported on the highlights from the April OWEB board meeting. OWEB is continuing to conduct listening sessions around the state around the recent OWEB Resolution related to climate and how the resolution may impact the grant application process. The Board has determined they will meet three times a year virtually and one meeting will be held in-person annually. The Legislature funded the Oregon Agricultural Heritage Program (OAHC) with \$5 million in General Funds. This funding will allow for opportunities to apply for federal funding matching dollars to help support the OHAC programs. OWEB is hiring seven new positions which will bring the agency total to 46 FTE. The Board continues the DEI training programs.

Resolution – Work Group Reports

Workgroup A – Chad Allen, Bryan Harper, Elin Miller, Eric Orem, Luisa Santamaria

Elin Miller reported on the resolutions under review by Workgroup A.

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| Resolution 107 | Priority for Agricultural Use of Water | Continue to review. Recommend edits to background statements 3 and 4 based on public comments received |
| Resolution 281 | Conservation Plan for the Oregon Coast Coho | Continue to review. Suggested edits to background statement have been provided by ODA staff as requested. Would like to request a presentation from ODFW at a future board meeting. |
| Resolution 309 | Coordinated Streamside Management Approach to Water Quality | Recommend approval with no proposed edits. |
| Resolution 313 | Water Quality Strategic Implementation Areas (SIAs) and SWCD Focus Areas | Recommend approval with proposed edits. |
| Resolution 319 | Climate Change Policy Considerations | Recommends keep active and continue to review based on public comments. |

MOTION:

A motion was made by Elin Miller to approve Resolution 309 with no proposed edits. Seconded by Eric Orem. No discussion. Motion passed unanimously.

MOTION:

A motion was made by Elin Miller to approve Resolution 313 with proposed edits. Seconded by Eric Orem. No discussion. Motion passed unanimously.

Workgroup B – Barbara Boyer, Shantae Johnson, Miguel Lopez, Randi Svaty, Josh Zielinski

Barbara Boyer reported on resolutions under review by Workgroup B.

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| Resolution 301 | Minimizing Conflicts of Coexistence in Agriculture | Keep active with no edits. Recommend approval |
| Resolution 307 | Farmworker Housing | Keep active. Continue review based on public comment and presentations at May meeting. |
| Resolution 317 | Oregon Department of Agriculture’s role in the Food Safety Modernization Act Produce Rule Implementations | Keep active. Continue review based on public comment and presentations at May meeting. |
| Resolution 318 | Siting of energy transmission and generation facilities on agriculture land | Keep active. Continue review based on discussion. |

MOTION:

A motion was made by Randi Svaty to approve Resolution 301 with no proposed edits. Seconded by Elin Miller. No discussion. Motion passed unanimously.

Resolution 317

Additional discussion regarding the timing and decision if ODA should consider applying for additional federal funding to conduct FSMA FDA-led produce safety inspections. Outreach will continue by the ODA Produce Safety Program to gather additional industry input and report back to the Board.

Letter of Support

Barbara Boyer asked the Board to consider preparing a letter of support for the ODA to request additional \$2 million from the Emergency Board to add to the original \$2 million grant program. Discussion followed.

MOTION:

A motion was made by Barbara Boyer to write a letter of support to the ODA to ask for an additional \$2 million. Seconded by Elin Miller. Discussion followed to address the letter to Director Taylor and include details regarding the number of recent grant applications received and the total request for funding to demonstrate the additional need. Motion passed unanimously.

Newsletter Topics

Suggested topics for the newsletter include Letter of support for additional funding for the meat grants, Oregon Disaster Assistance Program rollout, Welcome to Dean Simonich, ODA Ag Water Quality Program and tour, status of Resolutions under review.

Meeting adjourned at 11:30 AM.

Next meeting: August 16-18, 2022

In-person – Ontario, OR and virtual option will be available