

The Year That ZOOMED BY



2020-2021 WSPC COMMISSIONERS

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Chris Olsen

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Heath Gimmestad

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Trade Show Coordinator:**
Angie Griffith

**Accounts Payable &
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A LETTER FROM THE COMMISSION CHAIR

Dear Washington Potato Growers,
While things looked a bit different during my time as Chairman of the Washington State Potato Commission (WSPC) for the last year, it was still an honor to serve all of you. I have been a Commissioner since 2015, and so many things in our industry have changed since that time. Six years ago, it would have been unthinkable to consider going virtual for

all of our Committee meetings and Quarterly meetings for 2020-2021.

This past year, the potato industry navigated interruptions to the food supply chain that caused many to scramble to navigate the “new normal.” I am proud to confirm that WSPC remained a strong supporter of Washington potato growers even in the face of these new challenges. When we recognized that the Coronavirus Food Assistance Program (CFPA) did not work for a specialty crop like potatoes, WSPC’s Government Affairs Committee worked with NPC and USDA to prompt the U.S. Secretary of Agriculture to implement an updated version making potato growers eligible for support. This was just one of the successes the Government Affairs Committee participated in this year.. Please turn to page 6 to learn more.

Research continued to move full steam ahead with Plant Pathology and Soil Health projects both on their own, and in conjunction with the Northwest Potato Research Consortium. Safety on farms is always a major concern and WSPC has produce some new safety videos and, as always, we continue to have IPM supplies for growers on-hand and ready. Order yours by contacting WSPC directly at 509-765-8845 or email Matthew Blua at mblua@potatoes.com.

One of our major roles at WSPC is promoting Washington potatoes both nationally and internationally. Travel restrictions made international in-person promotion impossible This last year, but we are looking ahead to some new opportunities. Most of the trade shows we participate in here in the United States were also cancelled in person, but many had a virtual platform for us to meet with buyers. We also held our Annual WA/OR Potato Conference virtually and benefitted from attendance from all over the world.

As COVID pushed so many students to online learning, WSPC created Potato U. to provide Ag-related content for 6th graders. The curriculum is both state and nationally accredited and is available free of charge to any teacher in Washington state. Our immediate goal is to teach kids where their food comes from. Eventually, we’ll build the curriculum all the way up to high school and integrate some career development to encourage the younger generation to work in Ag.

We are excited to see what next year holds as things slowly start to open back up. It has been a pleasure to serve as Chair and work with WSPC staff, even if it was only virtually. I thank them for their dedication to our industry. I would like to encourage all potato farmers to get involved by joining a committee or to consider becoming a Commissioner. If you are interested, please contact the WSPC office for additional information. Please enjoy this 2020-2021 Annual Report.

Chris Olsen
2020-2021 Chair

MARKETING & INDUSTRY AFFAIRS

With the goal of getting kids excited about agriculture, and potatoes, in particular, WSPC partnered with the Washington State Potato Foundation to create a new online e-learning education center program that we're affectionately calling:

"POTATO U." Generous grant funds from Three Rivers Community Foundation

started the project off. This interactive online e-learning center hosts an education

curriculum centered around WA Potatoes' existing education programming and currently has a 6th-grade curriculum

up and running for educators to use for free. Potato U will be delivered and utilize interactive applications integrated

with the Potatoes.com core website and Smart Phone APP. This comprehensive online education management

and learning system provides a functional, friendly, and aesthetically pleasing educational online presence and

accompanying e-learning applications. Developing out the online education learning center with a host of primary

school curriculum material will help the WSPF/WSPC organizations to promote the power of the Washington potato

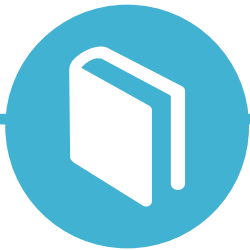
directly through the school curriculum for education and career development. POTATO U. brings together all relative

potato educational resources and materials into one comprehensive program utilizing the latest online digital

communications programming and e-learning technology. The program could become accredited and standard

state-level sanctioned material. Potato U is designed to engage children about agriculture and eventually grow the

curriculum into the High School levels to promote Ag career development.



TEACHER OF THE WEEK

This year, WSPC introduced a new program called Teacher of the Week. This new project gave the hardworking teachers in Washington the recognition they deserve after facing so many challenges with COVID-19. Each week, WSPC teamed up with STAR 101.5 radio and selected a new deserving teacher in Washington State. Each teacher received a potato swag bag for their students and a \$100 cash prize to use to purchase classroom supplies. All of the prize recipients were thrilled to be a part of this program and were grateful for the recognition.

SOCIAL MEDIA

Social media is more important than ever in today's world. Social media is now a primary news source for many people. After some consideration, WSPC decided to contribute more money and effort to spread our message through social media. WSPC teamed up with a few different groups to create high-quality recipes and tasty videos to share with the public. We are also working on sharing information about sustainability, nutrition, and the economic impacts of the potato industry in Washington. If you haven't already, please follow our Facebook, Instagram, Twitter, Pinterest, and TikTok page to see all of our exciting new content.



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Potatoes.com App

Potatoes.com has launched the Potato App. **Download this app** to get push notifications for current events, view past Spud Topics, and check out what to have for dinner on the recipe page that houses hundreds of potato recipes! The app will also integrate the Potato Conference next year!

MARKET & INDUSTRY AFFAIRS COMMITTEE 2020-2021:

Mark Hammer, Chair | Kraig Knutzen, Vice Chair | Hector Castro
Heath Gimmetstad | Roger Hawley | Jordan Reed
Josh Bunger | Scott Galbreath | Jerry Heilig* | Frank Martinez*
Suzy Schaapman* | Mel Calloway* | Kristi Gunderson*
Shelley Olsen* | Randi Hammer* | Staff: Brandy Tucker

**at large industry position*

Virtual 2021 Potato Conference

As most trade shows and conferences were held virtually during the pandemic, the 2021 WA-OR Potato Conference was no different. In October, the Board made the tough decision to hold the Conference online. An unexpected bonus of the online platform was an increase of attendees from other countries, and from all over the United States. Our speakers recorded all of their presentations but were available for Q&A during and after presentations to make sure all participants had questions answered. Vendors were also able to set up live chats with attendees in their virtual trade show booths. While we would have liked to have hosted an in-person event, we, the Potato Conference Board, were pleased with the overall experience for vendors, sponsors, presenters, and our growers.

FRY VAN EVENTS

Freida the Fry Van was able to finally make her debut at the end of our fiscal year! WSPC participated in the Fiesta 5K Olé! run for Cinco de Mayo at Marymoor Park in Redmond, WA. Runners were excited to see us at the end of their 5K for some cooked to perfection fries. We also handed out some great Powered by Potatoes recipes for runners to take home and make themselves.

In June, Freida also participated in the Washington State University Potato Field Day in Othello to allow potato growers to get a glimpse of her and try out some fries. As lunch was not served there this year, folks were happy to get a nice snack of everyone's favorite: **French fries!**



WASHINGTON GROWN PREMIERES SEASON EIGHT

$$8 + 13 = 104$$

Seasons completed of
Washington Grown

Episodes
per season

total episodes from
the past 8 years

LET'S DO THE MATH



We tell six stories about farms and food per episode, times 104 total episodes, which equals a total of 624 stories about farms and food over the past 8 years! And to finish the math, let's add two *Emmy Awards*.

The purpose of our Washington Grown TV show is to educate the public about agriculture by focusing on the one thing we all have in common...food! This agriculture show helps consumers and policy-makers better understand that without farmers, there is no food. Each episode focuses on a particular Washington grown food product. We begin in the restaurant with a chef describing how he or she uses a Washington grown product to create culinary delights. Then we travel to the farm and learn how it was grown, meet the family who grew it, learn the heritage of the farm and the challenges the farmers face. We explore the technologies they employ, but most importantly, the passion and love that goes into growing this crop. Nutritionists, processors, researchers, packing sheds, extension agents, shipping companies, and state officials, all have a role in telling the Washington Grown story. We're currently working on season 9 and it's shaping up to be our best one yet! Watch for our new season beginning in January.

WASHINGTON GROWN CAN BE SEEN ON THESE TELEVISION STATIONS:

KIRO: Seattle
KIMA: Yakima
KEPR: Tri-Cities

KLEW: Lewiston
KSPS: Spokane
KTNW: Tri-Cities

KWSU: Pullman
KBTC: Tacoma
RFD TV: All across the USA

NCW LIFE: Wenatchee
ONLINE: wagrown.com
ONLINE: YouTube

Virtual Foodservice Shows

Typically the WSPC participates in about six major food trade shows throughout the United States in a given year. From fresh shows like the Produce Marketing Association (PMA) Fresh Summit that moves to different cities each year to the

National Restaurant Association (NRA) show every year in Chicago, folks line up for our delicious fries. COVID-19 took its toll on these shows, but many trade show organizers stepped up to create virtual platforms. Many were free for attendees, knowing the restaurant industry was suffering enough through the pandemic. Here is a list of the shows we were scheduled to participate in to promote Washington potatoes during 2020-2021, notations for cancellations or a pivot to virtual shows.

- » **Washington School Nutrition Association** - Cancelled for 2020
- » **Western Foodservice Show** - Cancelled for 2020
- » **PMA, Dallas, TX** - Held virtually (October 2020, free of charge for attendees)
- » **NW Foodservice Show** - Postponed to August 2021
- » **NW Woman's Show** - Cancelled for 2021
- » **NRA** - Held virtually (May 2020, free of charge for attendees)

While we would have loved to have been in-person at all of these events, virtual platforms gave us the opportunity to meet with potential buyers and give them information on how to purchase Washington potatoes—and, of course, provide them with our famous peelers and recipes.

GOVERNMENT AFFAIRS

REVENUE FORECAST FOR WASHINGTON STATE, JUNE 2020

Not surprisingly it is substantially worse than the dire preliminary projections due to a loss of sales tax and B&O tax revenue, because of COVID business restrictions. The revenue shortfall is projected at \$4.5 billion for the balance of the current biennium (2019-21) and an additional \$4.3 billion for the 2021-23 biennium. It amounts to a total impact of \$8.8 billion on the State General Fund over the next three years compared to the February forecast, which was the basis for the state's current Operating Budget. WSPC communicated to the Legislature about the economic damage caused from foodservice closures.

USDA HOLDS A VIRTUAL MEETING FOR WASHINGTON STATE POTATO GROWERS IMPACT BY COVID LOSSES

The USDA's Farm Service Agency (FSA) hosted an online meeting to discuss financial relief, specific to potato growers, because of the COVID impacts to potato producers. FSA officials discussed the COVID Food Assistance Program, how to apply, and who is qualified for assistance.

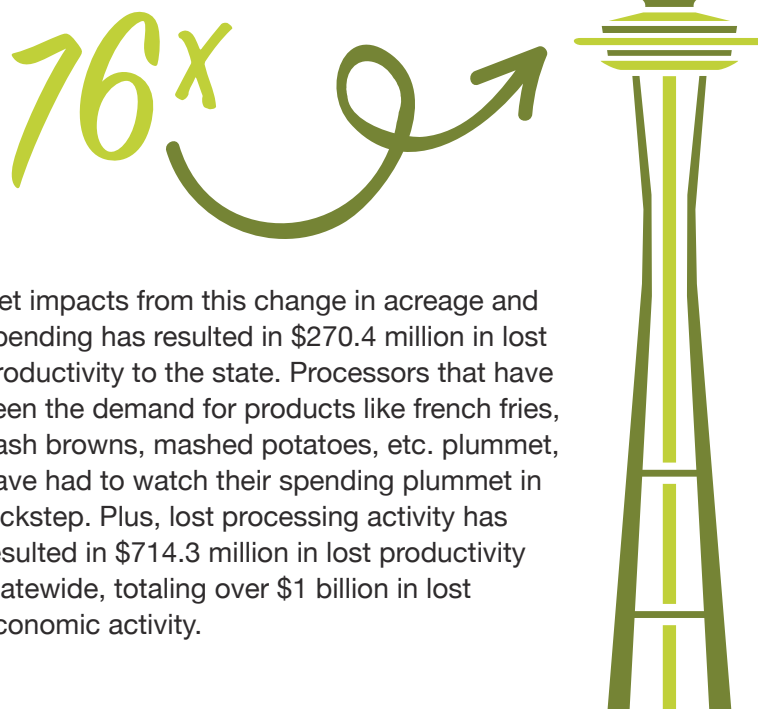
POTATO COMMISSION RESEARCHES COVID-19 ECONOMIC CONSEQUENCES, \$1 BILLION ESTIMATED LOST IN GROSS STATE PRODUCT

The IMPACT Center of the School of Economic Sciences at Washington State University identified economic harm to the potato sector in Washington State resulting from COVID-19 virus demand and supply chain disruptions. The study also discussed potential tax impacts on the state and the primary backward links in the supply chain that are negatively affected by the reduction in potato production and processing.

Washington's potato growers and processors have been adversely affected due to the prolonged restaurant closures and associated fall in demand for their product. The fall in demand has been a shock not only directly for farmers and processors, but for all the vendors in their specialized supply chains.

In all, farmers have lost roughly \$29.2 million dollars from the decline in demand and quality for their 2019 harvest. They have reduced potato acreage for their 2020 growing season by 13%. That loss in acreage amounts to roughly 729,120 tons of potatoes, equivalent to the weight of about

76 Space Needles.



Net impacts from this change in acreage and spending has resulted in \$270.4 million in lost productivity to the state. Processors that have seen the demand for products like french fries, hash browns, mashed potatoes, etc. plummet, have had to watch their spending plummet in lockstep. Plus, lost processing activity has resulted in \$714.3 million in lost productivity statewide, totaling over \$1 billion in lost economic activity.



HOUSE PASSES FARM WORKFORCE MODERNIZATION ACT

With a bipartisan 247-174 vote, the U.S. House of Representatives passed the Farm Workforce Modernization Act. The bill is sponsored by Reps. Zoe Lofgren (D-CA) and Dan Newhouse (R-WA), and cosponsored by 23 members, including House Agriculture Chairman David Scott (D-GA) and Reps. Simpson (R-ID), Upton (R-MI), McMorris Rodgers (R-WA), Diaz-Balart (R-FL), Spanberger (D-VA). It is backed by agricultural groups and companies focused on addressing the agriculture workforce crisis.

The legislation, which passed the House in 2019 but was not taken up by the Senate, would address the agriculture workforce crisis by establishing effective border security, a path to legal work status for undocumented agricultural workers, and sustainable guest worker programs to fulfill the ongoing needs of America's agriculture industry. After House passage, Senators Michael Bennet (D-CO) and Mike Crapo (R-ID) announced they would work together to introduce a companion bill that would benefit both the agriculture industry and the farmworkers that support it.

In the Senate, improvements to the bill are needed including addressing the unpredictable wage rate for employers taking part in the agricultural guest worker program (H-2A). Additionally, the current H-2A program needs to remain uncapped, to allow the labor force to expand and contract based upon agriculture's production needs.

CORONAVIRUS FOOD ASSISTANCE PROGRAM IS REEVALUATED, POTATO FARMS BECOME ELIGIBLE

The Secretary of Agriculture implemented the Coronavirus Food Assistance Program (CFAP), which aids agricultural producers impacted by the effects of the COVID-19 outbreak, through a final rule published in the Federal Register on May 21, 2020. USDA was able to reevaluate the payment rates for certain specialty crops based on data that was available from potato farms in response to the CFAP notice of funding availability, which was published in the Federal Register on May 22, 2020. The potato industry provided USDA with documentation identifying injury so that reevaluation could occur, and potato producers would become eligible for support.

JAPAN TARIFF REDUCTIONS FOR US POTATOES—FRIES NOW ENTER TARIFF-FREE

Japan eliminated its remaining 2.1% tariff on US frozen fries (HS 2004.10) because of the tariff concessions secured under the US-Japan Trade Agreement. Japan also further reduced the tariff on flakes, granules and pellets (HS 1105.20) to 6.6%, and those tariffs on other dehy lines (HS2005.20), which now range from 4% to 8.6%. These tariffs will be subject to ongoing annual reductions on April 1 until full elimination occurs over the course of the next seven years.

Japan is the largest market for US frozen fries with exports valued at \$268 million in 2020. Tariff-free access to Japan for US fries will therefore support the continued growth of exports to the market. The Japanese tariff reductions enacted on April 1 are aligned with those Japan has committed in the TPP-11 trade agreement (which includes Canada and New Zealand) and those offered to EU Member States in the EU-Japan FTA. As a result, fries from these countries will also now enter Japan tariff-free.

WASHINGTON STATE LEGISLATIVE SESSION ENDS WITH...

Many environmental and fiscal priorities were pushed through Olympia during the 2021 Session. Below is a recap of just a few of the bills that passed and were signed into law.

Capital Gains Tax (Income Tax)

SB 5096 – Passed Legislature imposes a 7% tax on Capital Gains. Agricultural interests fought hard for language that would clarify income taxes would not apply to the sale of ALL ag lands. To no avail, no legislative clarity was provided. The bill does have language that exempts all real estate, but it is unclear if that applies to family farms formed under an LLC and/or that may have partnerships with other LLCs within a family.

Cap and Trade SB 5126 (Titled the Climate Commitment Act)

– Passed Legislature establishes a cap-and-trade program for greenhouse gas emissions to be implemented by the Department of Ecology. While the program begins on January 1, 2023, enforcement of a compliance obligation for covered entities is contingent on the passage of a 5-cent gas tax in a future legislative session – tying it to a transportation revenue proposal along with Low Carbon Fuel Standards (HB 1091). The bill exempts motor vehicles and special fuel used for agricultural purposes by a farm fuel user from the cap-and-trade program. This bill does require the Department of Ecology to determine a method to expand the agricultural fuel exemption to apply to fuels used to transport agricultural products on public highways, and to maintain this exemption for five years.

A Climate Commitment Account was established providing grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations; grants, loans, or any financial incentives to food processors to implement projects that



reduce greenhouse gas emissions; renewable energy projects; farmworker housing weatherization programs; dairy digester research and development; and, alternative manure management. However, projects funded from the Climate Investment Account must meet high workforce labor standards, including employer paid sick leave programs, family sustaining wages, pay equity based on gender identity and race, career development opportunities, and maximize access to economic benefits for local workers and diverse businesses.

During the 2022 regular legislative session, Ecology must bring forth agency request legislation developed in consultation with emissions-intensive, trade-exposed businesses, covered entities, environmental advocates, and overburdened communities that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050. Trade-exposed businesses include food processing facilities in Washington State.

Low Carbon Fuel Standard (LCFS) HB 1091

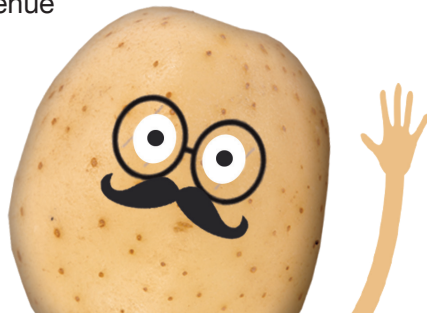
– Passed Legislature limits greenhouse gas (GHG) emissions per unit of transportation fuel to 20% below 2017 levels by 2038. Reduction in the GHG emissions attributable to each unit of the fuels not to exceed 0.5% each year in 2023 and 2024; 1.0% each year 2025-2027; 1.5% each year 2028-2031; and no change in 2032 and 2033. Carbon intensity reductions required by the standard are prohibited to go beyond a 10% reduction until a 2030 JLARC review of the Clean Fuels Program has been completed; and the 2033 Legislative session has adjourned. A price cap is put in place that may not exceed \$200 in 2018 dollars for 2023. For 2024 and subsequent years, the price cap may exceed \$200 in 2018 dollars, but not beyond CPI inflation for urban

consumers, west region. Compliance obligations or credit generation is prohibited until the passage of a 5-cent gas tax in a future legislative session tying it to a transportation revenue proposal along with the Climate Commitment Act (SB 5126).

The following transportation fuels are exempt from GHG emission intensity reduction requirements until January 1, 2028: Special fuel used off-road in vehicles used primarily to transport logs; dyed special fuel used in vehicles that are not designed primarily to transport persons or property, that are not designed to be primarily operated on highways, and that are used primarily for construction work including, but not limited to, mining and timber harvest operations; and dyed special fuel used for agricultural purposes. Beginning January 1, 2028, Ecology must not increase the reductions required by the standard beyond a 10% reduction until at least a 15% net increase in the volume of in-state liquid biofuel production and the use of feedstocks grown or produced within the state relative to the start of the CFP.

Operating, Capital and Transportation

Budgets – The capital and transportation budgets both passed with broad bipartisan support, the final vote on the operating budget in both chambers reflected the deep partisan divide in Olympia. Democrats used their majority to pass an operating budget that increased spending by over \$5 billion from the previous biennium, which funded several priorities, including new dollars for childcare programs, a tax credit for low-income families, and more resources for state forests and wildfire prevention programs. The partisan split on the budget came about over general concerns that the increase in spending will be unsustainable in future biennia, and that the budget relied on the adoption of the new income tax on capital gains, which passed the House and Senate. Budget writers also tapped the state's rainy-day fund to increase spending even though the state's economy has not bounced back from the effects of the pandemic; initial revenue forecasts anticipated an \$8 billion revenue deficit, but the final revenue forecast predicted an increase in available resources over pre-pandemic levels.



Capital Budget Highlights:

- » Water Supply- \$136.3 million: The Department of Ecology is provided the following appropriations for water supply, flood control, and streamflow restoration. \$40 million is for work related to streamflow restoration;
- » \$42 million is for additional work on projects under the Yakima River Basin Integrated Plan;
- » \$45 million is for continued implementation of the Columbia River Basin Supply Development Program; (Approximately \$21 million of the \$45 million will be dedicated for the Odessa)
- » \$4.3 million is for projects related to the Sunnyside Valley Irrigation District projects; and
- » \$5 million is for a water banking pilot program to implement strategies to meet local water needs.
- » Appropriated \$8 million to demolish Johnson Hall at the WSU Pullman Campus, in preparation for the construction of a federally funded replacement science facility

Operating Budget Highlight:

- » Nooksack & Lake Roosevelt Adjudications – Ecology is provided with \$463,000 for fiscal year 2022 and \$537,000 for fiscal year 2023 for preparation and filing of adjudications of state water rights in the Nooksack (water resource inventory area 1) and Lake Roosevelt.
- » Water Banking - \$10 million in funding is provided for the Department of Ecology to create a grant program to support banking water.
- » Pesticide Registration – \$412,000 is appropriated to implement SB 5317 concerning pesticide registration and pesticide licensing fees.
- » Fertilizer Fees – \$153,000 is provided to implement SB 5318 regarding fertilizer fees.
- » Soil Health – \$2.1 million is appropriated to WSU to continue development of a new soil health research and extension initiative.
- » Wildfire Prevention – \$125 million in state funds for wildfire preparedness, prevention, and protection.
- » Farmworker Housing – \$159,000 is provided to implement SB 5396 regarding the sales and use tax exemption for farmworker housing.

NO OLYMPIA POTATO DAY, NO PROBLEM. POTATOES GO LIVE IN LEGISLATIVE COOKING EVENT

In March of 2021, WSPC hosted a live legislative cooking event with Chef Joel Gamoran. The Seattle Chef is best known as the host for A&E's hit series "Scraps," and has become one of the nation's most well-known sustainability storytellers. Joel spent over ten years as a National Chef for Sur La Table. In 2018 Joel released his book "Cooking Scrappy" (Harper Collins), inspiring home cooks to turn scraps into delicious meals. Joel also makes monthly appearances on NBC's Today Show, sharing his recipes and sustainability tips to a worldwide viewership. Through entertainment, creativity, humility, and education, Joel brings people together with a common goal of getting good food on the table while being mindful of waste. Chef Gamoran made his famous Potato and Cheese Pierogies paired with a great potato cocktail. All participants enjoyed the networking event. Olympia Potato Day will return to the Olympia Capitol Building on February 2, 2022. Mark your calendars.

GOVERNMENT AFFAIRS COMMITTEE 2020-2021:

Heath Gimmetstad, Chair

Adam Weber, Vice Chair

Grant Morris | Mike Dodds | Mark Hammer

Chris Olsen | Roger Hawley | Ted Tschirky*

Stacy Kniveton* | Darrin Morrison* | Kees Wyens*

Randy Mullen* | Lynn Olsen* | Ben Harris*

Blaine Meek* | Jake Henke* | Ken Luke*

Staff: Matt Harris

**at large industry position*

\$3 BILLION INCREASE IN STATE REVENUE FORECAST, MARCH 2021

State revenues are projected to return to pre-pandemic levels with more than a \$3 billion increase projected at the recent revenue forecast. Total state revenues are expected to grow 13.6% between the 2017-19 and 2019-21 biennia and 8.2% between the 2019-21 and 2021-23 biennia. The forecast of funds subject to the budget outlook is increased by \$1,340 million for the 2019-21 biennium and \$1,949 million for 2021-23 biennium. The State's forecast does not include an additional \$4 billion in Covid-19 Federal relief funding which is not part of the revenue forecast balance sheet.

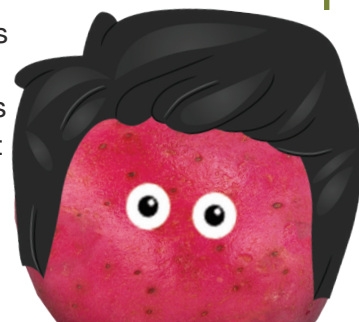
Forecasted revenue collections:

- » 2017-19: \$46.1 billion (18% increase)
- » 2019-21: \$52.3 billion (13.6% increase)
- » 2021-23: \$56.6 billion (8.2% increase)
- » 2023-25: \$59.9 billion (5.8% increase)

ESSB 5172, THE AG OVERTIME BILL

The final version of the bill puts the main provisions of the bill into one section. It provides relief to farmers from the possibility of having to pay three years of retroactive compensation for overtime, and it provides a three-year phase-in for the rest of agriculture to move to time and a half for overtime for farmworkers. Dairy will remain at the current court-imposed standard of overtime above 40 hours per week.

- » Phases in overtime pay to certain agricultural employees beginning on January 1, 2022, with the employees receiving overtime for hours worked over 55 in a week and ending with those employees receiving overtime for hours worked over 40 in a week beginning January 1, 2024.
- » Removes the agricultural overtime exemption from the overtime law on January 1, 2024.
- » Creates a safe harbor process protecting certain agricultural employers from specific types of relief being granted against such employers for certain claims and causes of action seeking unpaid overtime.



EL 47.5 DELIVERY SYSTEM CELEBRATION

Many gathered to celebrate the completion of the EL 47.5 Pump Station. The Station is located 7 miles NE of Warden, WA, and is replacing 8,500 acres of deep well irrigated lands with surface water in the Odessa Aquifer. EL 47.5 is designed to supply water to over 10,500 acres. Speakers in attendance included Duaine Anderson, ECBID Board President; Senator Mark Schoesler (District 9); Mark Maynard, Ephrata Field Office Manager, US Bureau of Reclamation; Tom Tebb, Director, Office of Columbia River of the Department of Ecology; and Derek Sandison, Director, WSDA.

STATE LEGISLATURE APPROVES UNEMPLOYMENT TAX BILL

The Legislature passed a bill that will mitigate the huge unemployment insurance tax increase hitting employers this year because of pandemic layoffs. Engrossed Substitute Senate Bill 5061 will lower the expected tax hike for many employers. This is welcome relief, but it does not solve the UI crisis.

NEARLY 300 AGRICULTURE GROUPS URGE SENATE ACTION ON AG LABOR REFORM

Nearly 300 agricultural organizations representing the geographic and commodity diversity of our nation's farmers, including potatoes, urged immediate Senate action to develop and pass legislation addressing agricultural labor reform. America's farmers have faced an onslaught of challenges: the COVID-19 pandemic, catastrophic weather events, retaliatory tariffs in our top export markets, and falling commodity prices and farm income.

Domestic labor shortages remain one of the greatest challenges impacting farmers today and jeopardizes the future of American agriculture. The letter notes both the uncertainty current farmworkers across the country face and the struggle agricultural employers continue to have in filling open jobs. The groups also highlight the longstanding problems with the current H-2A guest worker visa program for agriculture, including cost concerns and the fact that producers with year-round labor needs do not have access to the program.

WASHINGTON STATE CAPITAL BUDGET INCLUDES NEEDED DOLLARS FOR WATER IN THE COLUMBIA BASIN PROJECT

The State's \$6 billion capital budget included irrigation projects supporting the Columbia Basin Project. Funded projects included the following:

- » \$16,000,000 to assist in planning, designing, engineering, development coordination, and construction of pump stations or other improvements at the EL 79.2 or associated stations serving the same area that expand the delivery systems of the Odessa Groundwater Replacement Program (OGWRP), sufficient to irrigate at least 13,000 acres.
- » \$400,000 to assist the Grant County conservation district in applying for support from the United

States department of agriculture-natural resource conservation service to secure federal funding for surface water delivery systems on the Columbia Basin Project.

- » \$150,000 for improvements at EL 85, including radial arm gates.
- » \$5,000,000 for the continued development and building of the EL 22.1 OGWRP surface water irrigation system including a canal pump station, an electrical power substation, booster pump stations, and a large diameter full-sized pipeline sufficient to irrigate 16,000 acres.

The City of Othello also received \$515,000 from the infrastructure fund for a long-term project to conserve water and to find ways to increase the city's water supply. The project is in its second phase, with the goal of using outside water, in this case from an East Columbia Basin Irrigation District Canal, to help replenish the city's aquifer.

FINANCIALS

APPROVED BUDGET REVENUE

Subtotal \$4,444,274



Assessment
Revenue
\$2,800,000



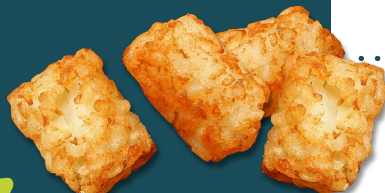
Reserve
Account Transfer
\$1,406,569



Tri State
Research MOU
\$107,705



Interest
Income
\$35,000



APPROVED PROGRAM BUDGET

Subtotal \$4,244,274



Office &
Operations
\$1,068,000

Research &
Outreach
\$1,120,169

Market &
Industry
Affairs
\$1,121,190

Government
Affairs
\$834,915

WSU Physiologist
\$200,000

RESEARCH

PROJECTS FUNDED BY THE NORTHWEST POTATO RESEARCH CONSORTIUM FY2021-22

WSPC prioritizes funding research that enhances potato growing and profitability. Most of this research is funded through the Northwest Potato Research Consortium, an alliance of WSPC, the Oregon Potato Commission, and the Idaho Potato Commission who combine resources to provide approximately \$1.5 million in research funds annually. Together the three states represented by these commissions produce 54% of the potatoes in the U.S. By category, WSPC funded the following research projects:

PLANT PATHOLOGY/SOIL HEALTH

Defense response signaling in potato tissue: Lee Hadwiger, \$7,000

Relationship between in vitro fungicide resistance of Fusarium dry rot pathogens and disease control of Fusarium dry rot in vivo and in the field – YEAR TWO: Kasia Duellman, \$30,199

Data mining for crop rotations that predict the occurrence of mefenoxam-resistant Pythium species: Ken Frost, \$14,984

Development of an assay to screen for fungicide resistant Fusarium species in potato field soils: Ken Frost, \$34,967

Managing the potato microbiome for improved soil and potato health: Deirdre Griffin LaHue, Tarah Sullivan, \$39,961

“Reactive Carbon” as a critical control of microbial performance in potato fields: Markus Kleber, Dave Myrold, \$70,978

Management of Fusarium dry rot of Clearwater Russet: Jeff Miller, Nora Olsen, \$51,000

Support for the investigation of emerging and persistent potato diseases in the Northwest: Kylie Swisher Grimm, \$12,000

Testing plant-defense elicitation compounds and antimicrobial agents to control silver scurf disease: Kiwamu Tanaka, \$40,845

Developing collaborative modern diagnostic approaches for potato pest and pathogen detection and characterization for the Pacific Northwest: James Woodhall, Kiwamu Tanaka, Ken Frost, \$24,000

A network of spore samplers and disease modelling as an early warning detection system for foliar potato pathogens: James Woodhall, Kasia Duellman, David Wheeler, Ken Frost, Tim Waters, Lindsey du Toit, \$40,953

Comparison of potato yields, soil health, and pathogen loads in virgin and non-virgin soils: David Wheeler, Deirdre Griffin Lahue, Cynthia Gleason, Ken Frost, \$63,053

Management of Powdery Scab and Potato Mop Top Virus: Jeff Miller, James Woodhall, Nora Olsen, \$24,436

Interaction between anastomosis groups of Rhizoctonia solani and in-furrow fungicide applications: Jeff Miller, James Woodhall, \$22,050

NEMATOTOLOGY

Investigation into a candidate potato resistance gene against the root-knot nematode Meloidogyne chitwoodi race 1: Cynthia Gleason, Sagar Sathuvalli, \$30,000

An investigation into the potential for broad-spectrum resistance against plant parasitic nematodes in potato: Cynthia Gleason, Louise-Marie Dandurand, \$20,000

Functional Genomics of Solanum sisymbriifolium (Litchi Tomato) Immunity for PCN Eradication: Louise-Marie Dandurand, Joe Kuhl, Allan Caplan, Fangming Xiao, Inga Zasada, \$60,000

Development of New Nematicides for Potatoes: Alan Schreiber, \$25,000

Potato Virus

Testing genes that have the potential to provide resistance to PVY: Aymeric Goyer, \$35,760

Improving detection of PVY-infected plants with innovative peptide application: Aymeric Goyer, \$35,857

‘Window of susceptibility’ to PVYNTN infection in potato and effect on virus translocation into tubers: Alex Karasev, \$45,000

Understanding Tobacco rattle virus epidemiology through basic and applied assays: Kylie Swisher Grimm, Max Feldman, \$32,000



FUNDED PROJECTS CONT.

ENTOMOLOGY

Molecular and landscape approaches to understanding beet leafhopper and potato purple top disease in the Columbia Basin: Rodney Cooper (+Dave Horton, Kylie Swisher Grimm), Dave Crowder, Ken Frost, \$40,829

Longevity of early season insecticide applications for the control of problematic insect pests of potatoes: Justin Clements, Tim Waters, \$35,000

Development of a sex pheromone lure to detect low-level populations of wireworms: Jackie Serrano, \$15,000

Development of Insecticides for Pacific Northwest Potatoes: Alan Schreiber, \$30,000

Quantifying Crop Safety and Efficacy when Tank Mixing Insecticides and Fungicides: Tim Waters, \$19,285

Attempting to Establish the Economic Threshold for Lygus in Potatoes and Determining Efficacy and Tolerance of Insecticides for Control of Lygus: Tim Waters, Doug Walsh, \$14,998

CROPPING SYSTEMS, PLANT PHYSIOLOGY

Evaluation of Potassium Requirement for Different Potato Varieties in Tri-State: Ray Qin, Sagar Sathuvalli, Rhett Spear, \$41,000

Practices associated with blackspot bruise susceptibility: Nora Olsen, Mike Thornton, Jeff Miller, Aymeric Goyer, Ray Qin, Ken Frost, \$84,000

BREEDING/VARIETY DEVELOPMENT

Breeding and Selecting Russet and Specialty Varieties with Improved Tuber Qualities, Disease and Pest Resistance, and Sustainability: Rhett Spear, Rich Novy, Mike Thornton, \$76,508

Storage Requirements for New and "Potential Release" Cultivars for the Potato Industry: Rhett Spear, Nora Olsen, \$44,640

In-Field Testing to Identify New Potato Varieties and Best Management Practices for Growers: Mark Pavek, \$72,377

Postharvest Quality of Clones in the Western Regional Potato Variety Development Program: Jacob Blauer, \$56,600

Genetic Improvement and Cultivar Development of Russet, Chip and Specialty Potatoes for the PNW Potato Industry: Sagar Sathuvalli, Brian Charlton, Clint Shock, \$134,001

Applying molecular markers to select for promising virus resistant germplasm: Max Feldman, Sagar Sathuvalli, \$30,000

Breeding for Resistance to Columbia Root-Knot Nematode: Introgression of new sources of resistance and development of genomic resources: Sagar Sathuvalli, Kelly Vining, Max Feldman, \$45,000

OTHER SERVICE AND RESEARCH PROJECTS FUNDED BY THE WSPC

WSPC funds projects designed to serve potato growers, and research projects favored by the commissioners that are specific to WA and not funded by the Northwest Potato Research Consortium. In FY2020-21 we funded the following:

Maintenance of late blight of potato forecasts: David Wheeler, Carrie Wohleb, Tim Waters, \$12,583

Label Change for Atrazine to Allow Potatoes to be Planted After Corn: Alan Schreiber, \$4,000

WSU Research Support – Othello Research Unit: Mark Pavek, Jacob Blauer, \$76,8A 50

Washington Commercial Potato Seed Lot Trial: Mark Pavek, \$37,186

Regional Sampling Network for Insect Pests of Potato in the Columbia Basin of WA: Carrie Wohleb, Tim Waters, Kylie Swisher-Grimm, \$35,070

Developing Insect IPM Programs in Washington Potatoes – YEAR 3: Alan Schreiber, Tim Waters, \$47,000

Assessing fungicide sensitivity in *Helminthosporium solani* and determining surface blemish potato pathogen abundance in Washington soils: Chakradhar Mattupalli, Deirdre Griffin LaHue, \$33,333.

RESEARCH & INDUSTRY OUTREACH COMMITTEE 2019-2020:

Grant Morris, Chair | Jordan Reed, Vice Chair
Ellie Charvet | Marvin Wollman | Matt Taylor* | Greg Harris*
Austin Ochoa* | Bob Halvorson (Emeritus) | Staff: Matthew Blua
**at large industry position*

Giving WA Potato Growers A Hand

WSPC provisions WA potato growers with worthwhile supplies for the asking that include the following:

- » Integrated Pest Management supplies including yellow sticky cards and stands, delta traps with stands, sticky delta trap liners, and pheromone caps to monitor tuber moth.
- » Potato Pest Identification books.
- » The annually-updated Integrated Pest Management Guidelines for Insects and Mites in Idaho, Oregon, and Washington Potatoes by A. Schreiber, A. Jensen, S.I. Rondon, E.J. Wenninger, S. Reitz, and T. Waters.
- » Good Agricultural Practices potato-oriented notebooks for USDA GAP, USDA Harmonized GAP, Global GAP, and Primus GAP.
- » The WSPC Agricultural Safety DVD Library with most videos in English and Spanish.
- » Plant disease diagnostics from Washington State University.

Washington State University Hires Two New Potato Scientists in FY2020-21

In a year full of uncertainty due to the COVID-19 pandemic, one of the highlights of FY2020-21 for the WA potato community was the hiring of two new potato scientists by WSU. The first of the two hires is Dr. Jacob Blauer, a plant physiologist who graduated from Washington State University with a PhD in 2013. Dr. Blauer spent most of his career in private industry as a manager in R&D at Forage Genetics International, and before that was an agronomy scientist manager at Simplot. Dr. Blauer replaced his former mentor, Dr. Rick Knowles, who recently retired.

The second of the two hires is Dr. Chakradhar Mattupalli, a plant pathologist who will fill the position left vacant by Dr. Debra Inglis at WSU-Mount Vernon. Dr. Mattupalli, who graduated with a Ph.D. also in 2013, was faculty at Colorado State University's San Luis Valley Research Center, where he held a Research/Extension position. He will also work with the WA blueberry industry.

WSPC members were represented on search committees for both positions.

Work In Progress

1. **The search for the Washington State University Distinguished Endowed Chair in Soil Health for Potato Cropping Systems is underway.** At the time of this writing, three candidates have been selected to provide seminars, interview, and meet the potato community. Potato growers and processors generated \$3.4 million to support this position, the interest of which will provide approximately \$120,000 annually to support the Chair's research.
2. **WSPC continually interacts with the U.S. Environmental Protection Agency** by submitting comments on the use and importance of plant-protection chemicals used by potato growers in WA.
3. **WSPC teamed up with the Idaho Potato Commission and the Oregon Potato Commission** to produce a potato truck driver instructional video.



Dr. Jacob Blauer



Dr. Chakradhar Mattupalli



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