MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Wednesday, January 16, 2019

Room EW42

1:30 P.M. TIME: PLACE:

MEMBERS: Chairman Boyle, Vice Chairman Troy, Representatives Dayley, Kerby, Stevenson,

Zito, Andrus, Giddings, Goesling, Marshall, Nichols, Raymond, Erpelding, Toone,

Abernathy

ABSENT/ **EXCUSED:** Rep. Dayley, Rep. Erpelding

GUESTS: Brandon Hardenbrook, PNWER; Larry Doke, PNWRT; Robert Kerr, Consulate

General of Canada; Austin Hopkins, Idaho Conservation League; Nic Furfluh,

Idaho Department of Agriculure

Chairman Boyle called the meeting to order at 1:32 p.m.

Larry Doke, President of the Pacific Northwest Economic Region, explained Pacific Northwest Economic Region (PNWER) is a statutory, public-private partnership charted in 1991, by the U.S., States of Alaska, Washington, Idaho, Montana, Oregon and the Canadian Provinces of British Columbia, Alberta, Skatchewan and the Yukon and Northwest Territories. He stated the region has a GDP of over \$1 trillion, with a population of 24.4 million people, making it the 13th largest economy in the world. He explained that over the past two years the agriculture working group has focused on trade with a primary examination of modernizing NAFTA and the Canada-U.S. Regulatory Cooperation Council Action Plan (RCC). The working group continues to provide input on cross-border agricultural trade issues to key decision makers in Ottawa and Washington D.C.

Brandon Hardenbrook, PNWER Deputy Director, stated \$2 billion (USD) in goods and services, along with over 380,000 people cross the United States-Canada border every day. He explained economic watershed flows north and south across the border, with Canada and the U.S. being each other's largest source of direct investment. He explained PNWER works with stakeholders to identify and reduce trade impediments.

Mr. Hardenbrook stated Canada and Mexico are the #1 and #3 export markets for U.S. agriculture products and indicated since NAFTA was signed in 1992, agriculture exports from the US have increased from \$8.7 billion in 1992, to \$39 billion in 2017. He explained because of the importance of this trading relationship, all three counties moved to modernize NAFTA and negotiated over the past year to finalize the agreement. He indicated all three countries signed the agreement on Nov. 30, 2018. Mr. Hardenbrook stated the agreement still needs congressional approval before it is finalized.

Mr. Hardenbrook explained the key agriculture provisions of the USMCA are to change Canadian dairy policy, give US poultry access to the Canadian market, and change Canadian grain policy. He stated it also calls for sanitary and phytosanitary provisions to be based on relevant scientific principles and eliminates rules that are not. Mr. Hardenbrook indicated the countries also agreed to non-discriminatory commitments to the sale and distribution of alcoholic beverages.

Mr. Hardenbrook stated the importance of USMCA being ratified as soon as possible due to the amount of trade between the 3 countries. He called upon the administration to renew it's original waiver on steel and aluminum tariffs for Canada and Mexico.

Mr. Hardenbrook addressed the committee explaining a symposium was held in July 2018, where **Jill Smail**, U.S. Chief Negotiator for the Columbia River Treaty and **Sylvain Fabi**, Canadian Chief Negotiator for the Columbia River Treaty, spoke about the importance of the treaty to the region and the two nations. He stated there was opportunity for shareholders to share benefits and impacts of the treaty, focusing on areas including ecosystems, tribal groups, utilities, tourism, agriculture, recreation and more.

Mr. Hardenbrook stated PNWER's role is to facilitate dialogue and understanding between all the member jurisdictions, while showcasing the benefits of the treaty. He indicated they would continue to explore opportunities for states to provide input into the process as the negotiations continue to take place.

Mr. Hardenbrook addressed the committee concerning the Quagga/Zebra Mussels, stating they are a highly invasive mussel, devastating lakes and rivers across the U.S. He stated a single mussel produces 1 million larvae per year impacting water intakes, agriculture, recreation, fisheries and more. He stated they are typically transported via watercraft or ballast water. The Pacific Northwest remains the last region within the US without an infestation of the invasive mussels. He stated the federal funds offered to states for watercraft inspections and monitoring must be matched by states to access funds. He stated the need for early detection and having rapid response plans in place.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:04 p.m.

Representative Boyle	Joan Majors
Chair	Secretary