

Testimony of Robert Johns, Producer

In support of proposed amendments to a-Engrossed House Bill 3401

Introduction

Good Morning.

I am Robert Johns a fifth generation from Athena, Oregon. On my five thousand acre farm we raise wheat, green peas, dry peas, malt barley, and alfalfa. Most recently we have converted a irrigated circle to organic farming. Today I am here representing Oregon producers of pulse crops to speak in favor of this amendment legislation establishing an Oregon Pulse Crops Commission.

Definition of Pulse Crops and the National Coalition.

Pulse crops are defined as the dried seeds of legumes. In the USA, that means dry peas, lentils, chickpeas, fava beans, lupin and dried beans. According to National Agriculture Statistics Service, in Oregon there are between 10-20,000 acres of pulse crops planted each year. In contrast, there are over 470,000 acres of pulses planted in WA and ID which have well established commissions working to increase international and domestic markets and to provide research into improved varieties, better crop management and improved nutrition. In addition, under the auspices of the USA Dry Pea & Lentil Council, the WA and ID Commissions have helped to form a national coalition of pulse crop commissions including the states of WA, ID, MT, ND and SD to provide revenue-based crop insurance for pulse crops developed by the industry and managed as a pilot program under the RMA. All of these efforts have continued to increase the acreage of pulse crops nationwide and Oregon producers need to join this coalition.

Reason for a Commission.

The reason for this commission is about sustainability. Pulse crops are noted as a sustainable crop. They work well in rotation with small grains and improve the sustainability of any farming system. Since they are legumes, they take nitrogen out of the air and “fix” it in the soil, reducing the need for nitrogen-based fertilizer for both the pulse crop and the following crop. Pulses require less water than other crops making them a great rotation crop for wheat and other cereal grains in dryland systems.

But most importantly, over the past 15 years, pulse crops have maintained an increase in demand domestically, providing a strong market with increasing prices in spite of added acres and production. Pulses are trending as a food. Pulses are nutrient dense, high in protein, iron and many vital nutrients. They are high in fiber which is lacking in most US diets and with the increasing trend for nutrient dense, sustainable sources of protein, pulse crops are predicted to continue to increase in popularity. Sustainability will continue to drive food trends and pulses are poised to take advantage of this trend. Oregon producers should be ready to take advantage of this trend and a Pulse Crops Commission is a critical piece of this.

Sustainability is not just about the environment. Oregon producers have seen our neighbors in ID and WA gain access to crop insurance that provides them a risk management tool to plant all pulses with similar revenue coverage with wheat. Producers of chickpeas in particular, a more expensive and thus riskier crop, benefit from the security provided to producers and their lenders with revenue-based insurance. It allows producers the financial security to finance a chickpea crop because of the security provided by revenue coverage as opposed to the limited coverage provided Oregon producers with only yield protection. This provides economic sustainability to WA, ID, MT, ND and SD producers and OR pulse producers need the same economic sustainability.

Join the National Coalition.

We are working hard to partner with the USA Dry Pea & Lentil Council, the national leader of pulse crops located in Moscow, ID. This organization has provided the pulse industry programming in international marketing, domestic marketing, and national research programs, and educational efforts centered on policy and grower education for over 50 years.

Accomplishments of the USADPLC and the National Coalition.

International Marketing

The USADPLC leverages funds from the its membership to get a grant for International Marketing through the USDA-FAS Market Access Program/ Foreign Market Development (MAP/FMD) grants. For the past two decades, the funding has provided over \$1.2 Million to finance marketing programs led by six trade representatives stationed in our most important market zones. The Council also participates in key international trade shows, leads trade missions to important markets like India, China and the EU, and organizes in-country trade missions bringing foreign market buyers directly to US suppliers. The success of these programs can be measured in the steady increase in US exports over this period. This year, the Council was able to gain an addition \$1.5 Million from the Trade Mitigation Program organized in response to the impacts from International Tariffs. Oregon producers need to be able to participate and help direct these activities.

Domestic Marketing.

Over the last 5 years, the USADPLC has joined with Pulse Canada to orchestrate an extremely successful North American marketing campaign focused on social media. The success of this campaign is measured in social media impressions of over 3 billion each year for the past four years. In terms of volumes, the Council estimates a significant increase in domestic

consumption over the last five years. With the collapse of the international markets, domestic markets have increased in importance. The USADPLC has also responded by asking the USDA to approve Section 32 purchases and domestic purchases under the Trade Mitigation funding. These purchases are utilized to supply institutions, schools and food banks. USADPLC has developed programs to educate all of these users—whether it is working to gain “credit” in the school menu system, or to give Food Bank customers some easy recipes using the products and technology they have on hand. Oregon producers and Oregon consumers need access to these programs to insure they realize they can consume locally produced food, no matter what their circumstances.

Research

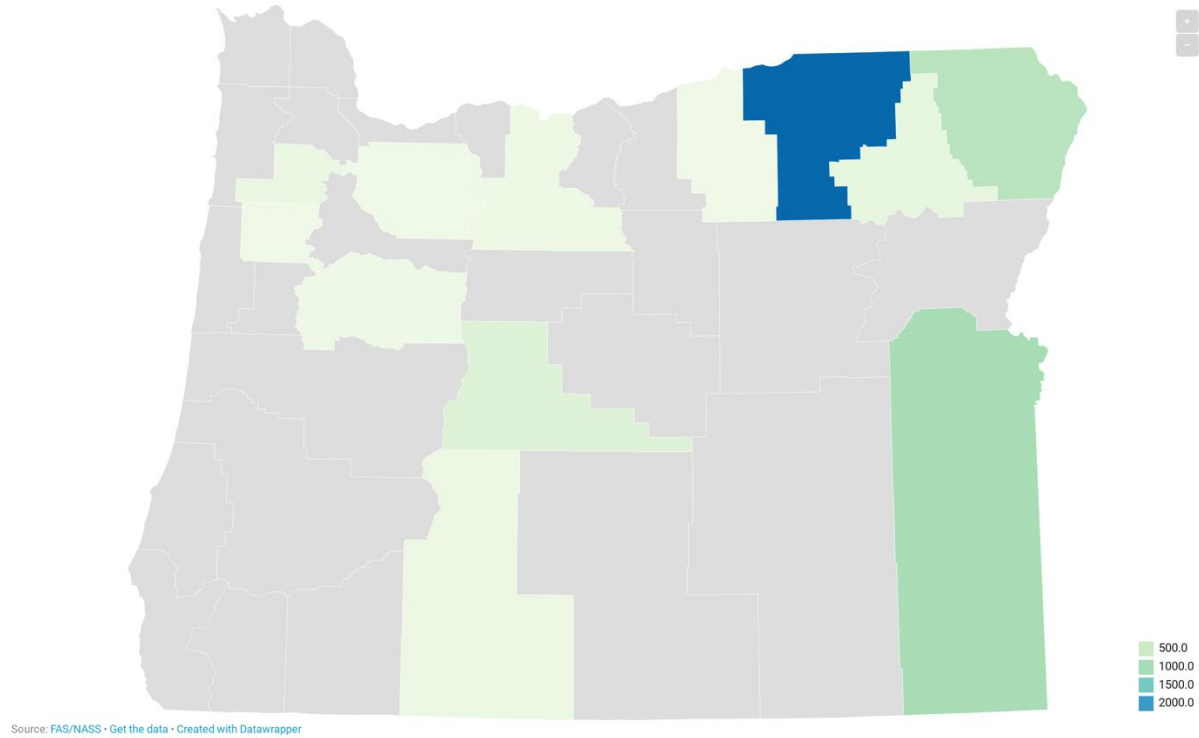
Research sponsored by the USADPLC and funded through the coalition of pulse crop commissions and member organizations from ID, WA, MT, ND and SD along with the US Pea & Lentil Trade Association includes programs focused on breeding improvements, genetic information development, crop management and weed control, and nutrition information and new product innovation. The latest accomplishment of the coalition is to gain funding of \$2 Million in 2018 and \$3 Million in 2019 to fund the Pulse Crops Health Initiative. This is a research program focused on improving nutritional benefits of pulses, developing processes for understanding of functional properties of pulses, and enhancing the understanding of sustainability of pulse crops. This funding gives each of the member organizations the ability to direct research and influence research projects far in excess of their contribution. Oregon produces need to be a part of this exciting effort.

Revenue Based Crop Insurance

Finally, and most immediately beneficial to Oregon producers, is the revenue-based crop insurance for pulse crops—dry peas, lentils and chickpeas. Over the last year, market prices dropped significantly from planting to harvest. Without a viable risk management tool for Oregon producers, there is no protection for a price swing like our producers faced over the last crop year. For instance, chickpea producers planted their crop with \$.35/lb. projected pricing and harvested the crop with prices as low as \$.18/lb. Revenue insurance provided producers in WA and ID some protection over the last year. Oregon producers were not able to get the same coverage. To provide access to this coverage, it is crucial that there is a commission in Oregon required to collect an assessment. The revenue insurance program uses the data collected for the assessment to establish the harvest price, a key part of the Revenue based insurance product. Without a commission, there is no way for RMA to establish a harvest price and to be included for coverage under the program. It is crucial for Oregon producers that there is a commission for pulse crops to provide Oregon growers with access to this important risk management tool.

2018 OREGON PULSES - ACRES

5,000 TOTAL ACRES PLANTED - ALL PULSES 2018



Grower Petitions

I have brought with me copies of a petition supporting the formation of the Pulse Crops Commission. It is signed by 21 producers representing over 5,000 acres of pulse crop production in Umatilla, and Union Counties which represents over 90% of the acreage reported by NASS. There is clearly a lot of support by pulse producers in Oregon for this commission.

Conclusion

Based on the support indicated by the signed petitions presented today and by the reasons I presented in my testimony, we request your support and recommended approval of this bill for the creation of an Oregon Pulse Crops Commission.

Thank you very much for your consideration of this testimony.