

Farm Bureau disputes WSU's upbeat take on carbon tax

Yes on I-732 campaign highlights report

By DON JENKINS
Capital Press

Carbon tax proponents are calling attention to a Washington State University study that concluded Initiative 732 on the November ballot would slightly boost the state's farm economy.

The study, led by Gregmar Galinato of the WSU School of Economic Sciences, concludes that an increase in the cost of fuel and other goods would be more than offset by I-732's other features, which would cut taxes and stimulate consumer demand.

The net result would be a 1.76 percent increase in the value of the state's agricultural output in the policy's second



Don Jenkins/Capital Press

A woman demonstrates on the Capital Campus in Olympia in 2015. Washington voters will decide in November whether to tax carbon. A Washington State University study concludes the tax would actually benefit agriculture, a finding at odds with the Farm Bureau's stance on taxing carbon.

year, the authors concluded.

The study did not report dollar figures. Washington's agricultural production topped \$10 billion in 2013, according to the U.S. Department of Agriculture.

The Washington Farm Bureau views the report skeptically. It maintains that a carbon tax would raise the cost of fuel, electricity, fertilizer and food processing, and that farmers and processors would

have to absorb those costs.

"We would disagree with this professor," Tom Davis, the Farm Bureau's director of government relations, said. "Anything that impacts our food processors and causes them to move to other states would have a big detrimental impact to agriculture."

The report was completed in April, but highlighted Monday in a press release from the Yes on I-732 campaign.

"This policy supports the state's economic goals, while addressing our moral responsibility to protect our children and future generations from the harmful effects of climate change," Yes on I-732 founder Yoram Bauman said in a written statement.

Galinato's study was funded by a USDA grant. He has endorsed I-732, according to the campaign's website. Efforts to reach Galinato were unsuccessful.

I-732 would phase in over two years a \$25 per metric ton tax on carbon emitted by the refining of fossil fuels and the generation of electricity.

The tax would increase annually by 3.5 percent, plus the rate of inflation until climbing to \$100 per ton. I-732 proponents estimate the cap would be reached in 40 years.

Agriculture would be partially shielded from the carbon tax. The tax on diesel, biodiesel and aircraft fuel used for agriculture would be phased in over 40 years.

Sponsors sought to make the proposal "revenue neutral" by reducing taxes on manufacturers, cutting the state sales tax to 5.5 percent from 6.5 percent and distributing the carbon taxes to low-income workers.

The WSU study concluded the sales tax cut and working-families rebate would help farmers by increasing

food consumption

Climate-change activists are not united behind the plan, criticizing the tax-cutting aspects of the plan. The Office of Financial Management estimated that state tax revenues would decline by \$914 million over the policy's first four years.

Climate Washington, the group behind I-732, collected enough signatures last year to force state lawmakers to either adopt the measure or put it to a vote.

Another Galinato-led study completed this year, titled "How a Race to the Bottom Can Make You Face," linked lower business taxes with higher childhood obesity rates.

The study concluded that cutting taxes and increasing spending on infrastructure to attract businesses siphoned money from health and education programs that reduce obesity.



Don Jenkins/Capital Press

Randy Lawffer, center, and his wife, Linda, smile June 17 at the Red Lion Inn in Olympia after being named tree farmers of the year by the Washington Tree Farm Program. The Lawffers own about 250 acres of timberland and pasture near Amboy in southwestern Washington. Stihl branch manager Dave Warren, left, presented the Lawffers with a chainsaw.

SW Washington couple receive tree farm honor

By DON JENKINS
Capital Press

OLYMPIA — A couple who own about 250 acres of timber and pasture land in southwestern Washington were honored Friday as tree farmers of the year by the Washington Farm Tree Program.

The Lawffer Tree Farm near Amboy in northeastern Clark County has been in the family for more than a century. Randy and Linda Lawffer, who have four children, 16 grandchildren and five great-grandchildren, said they hope the land will stay in the family.

"It's a big honor. I think it's another incentive for the kids to realize how important it is to keep it going," Randy Lawffer said.

The Lawffers received the award at the organization's 29th annual awards luncheon, which was held in conjunction with the annual meeting of the Washington Farm Forestry Association.

The nonprofit tree program administers the American Tree Farm System in Washington. Landowners who meet the standards are recognized around the world for sustainable forest stewardship, according to the organization.

The organization is celebrating the 75th anniversary of the first certified tree farm, a 120,000-acre tract in Grays Harbor County that was owned by Weyerhaeuser Co. when it was certified June 12, 1941.

The Lawffers certified

their tree farm in 2010.

"The Washington Tree Farm Program is proud to honor individuals who go above and beyond in their commitment to responsible forest management," the program's chairwoman, Tammie Perreault, said. "The Lawffers have been doing that for generations."

Randy Lawffer's great-grandfather bought the property in the early 1900s. He took over managing the property from his father nearly 40 years ago, according to a tree program press release.

The couple do much of the planting, thinning and harvesting themselves.

In a video shown at the luncheon, the Lawffers talked about the enjoyment their family has received by spending time on the land.

Randy Lawffer also said that grazing cows have benefited the tree farm by keeping down brush.

Bill and Marilyn Logan, who manage the 40-acre J.W. Logan Tree Farm, east of Onalaska in Lewis County, were also nominated for the annual award.

Bill Logan was sheriff of Lewis County between 1987 and 1994. His father bought the family's tree farm in the 1940s.

In another video shown at the luncheon, Logan said that people ask him how he profits from managing a crop that won't be harvested in his lifetime. He said a granddaughter likes to spend time among the trees. "That's how you get your payoff," he said.

Pacific Ag acquires Calagri

Company bolsters status as largest crop residue handler

By GEORGE PLAVEN
EO Media Group

HERMISTON, Ore. — Two of the Northwest's largest biomass and crop residue companies are joining forces.

Pacific Ag, of Hermiston, announced June 16 it has acquired Calagri after nearly two decades working side by side in the industry. Terms of the deal were not disclosed, but Pacific Ag CEO Bill Levy said it will help provide better service for growers and a more reliable stream of products for different markets.

"I think it says great things about the future of Pacific Ag and our markets," Levy said. "There's a lot of great opportunities out there, and we felt we could meet those opportunities better together than we could separately."

Pacific Ag is the nation's largest harvester of crop residue and forage — such as corn stover and wheat straw — used to make things like animal feed or tree-free paper products. Composted wheat straw is also what's predom-



Photo courtesy of Pacific Ag.

Pacific Ag, of Hermiston, Ore., announced June 16 that it has acquired Calagri, a hay and forage company based in Washington.

inately used to grow commercial mushrooms for grocery stores.

But perhaps one of the biggest future markets, Levy said, is plant material as a feedstock for biofuel and biochemicals.

"We believe that's going to be a significant part of our future," Levy said.

Based in Ellensburg, Wash., Calagri has collaborated and even shared equipment in the past with Pacific Ag, Levy said. Now, they'll be able to continue that work seamlessly under a single op-

eration.

Calagri's co-owner, Kerry Calaway, is joining Pacific Ag's leadership team and said it is an exciting time to be joining forces.

"New markets for forage and crop residue are growing across the region and the country, and farmers are increasingly looking for ways to sustainably generate additional income per acre," Calaway said in a statement. "Together, we will create more opportunities for farmers while providing better service to our customers."

Levy said Pacific Ag will retain Calagri's employees, and as a result of the transaction the company will now harvest more than 300,000 tons of forage every year across Oregon, Washington and Idaho.

"This is a significant addition for us," Levy said. "It's exciting, truly, to be working with them and to be one company."

Growers interested in learning more about generating income off crop residue can contact Pacific Ag at 1-844-RESIDUE.

Breeder makes progress on new quinoa varieties

Sequencing genome will help breeding efforts

By MATTHEW WEAVER
Capital Press

PULLMAN, Wash. — Pacific Northwest farmers will be able to get their hands on a Washington State University variety of quinoa in about three years, the university's breeder says.

Kevin Murphy, assistant professor in barley and alternative crop breeding, hopes to follow the model for releasing wheat and barley varieties. He needs one more year of solid testing and then a year of

increasing breeder seed and foundation seed.

Most advanced lines are in Western Washington this year, where they get better seed set and yield, Murphy said. The university has 200 to 250 breeding lines made from crosses made seven to eight years ago.

"We'll narrow those down to maybe 100 next year, to 20 and then to one or five," Murphy said. "So we're getting close."

Murphy said he has followed, but is not involved in, private efforts to develop quinoa varieties and expand acreage in Idaho.

The week of June 19, researchers from around the world were in Pullman to

build collaboration with WSU breeders and determine the next steps forward.

One of the researchers on the tour was Mark Tester, associate director of the Desert Agriculture Center at the King Abdullah University of Science and Technology in Saudi Arabia. He recently submitted an article to Nature magazine on sequencing the quinoa genome.

Understanding the genome will help develop a sophisticated system to develop quinoa that's economically viable for more farmers, Tester said. The next step is to use the information to select for key traits in breeding programs, he said.

Sequencing the genome

will also allow breeders to knock a year or two off of variety development, which currently takes eight to nine years, Murphy said.

Murphy said remaining questions about quinoa include its heat tolerance, herbicide capabilities and handling of saponin, a waxy coating on the quinoa seed.

Tester hoped to view WSU's quinoa germplasm, discuss food processing possibilities and learn about growing conditions.

"We're just exploding with questions," he said. "We're only at the ground floor of understanding quinoa. At the moment, quinoa is still a very new crop. There are a million things to do to improve it."

Spokane co-op begins malting local grains for brewers, distillers

By MATTHEW WEAVER
Capital Press

SPOKANE VALLEY, Wash. — Spokane cooperative LINC Foods is malting local grains as a raw ingredient for brewers and distillers to make beers and distillers.

The co-op recently held an open house for its new Palouse Pint brand, showcasing various beers made from its malt. The cooperative has been producing for roughly a month.

"As craft brewing has gotten so popular in the last 15 years or so, craft malting has just started to emerge," maltster Joel Williamson said.

LINC Foods primarily aims to distribute food and produce to local institutions and restaurants. The co-op was looking for a year-round processing endeavor for the winter months, Williamson said.

"Malting is one of those highly consolidated industries — there's four giant companies in North America," he said. "They produce all the malt, and it's all large-scale, kind of anonymous, aggregated from thousands of farms."

Going along with LINC Foods' mission, Williamson wants to malt different local grains and identify the source. The cooperative will also



Matthew Weaver/Capital Press

LINC Foods maltster Joel Williamson stands in the middle of the malting facility May 17 in Spokane Valley, Wash. The cooperative hopes to market its Palouse Pint malt to brewing companies, home-brew shops and distilleries in the Spokane area.

malt triticale, oats and other grains. Williamson is interested in ancient grains such as rye, spelt, and emmer.

"Anything unique and interesting that the big companies just won't do," Williamson said. "We want all the

grains to be as close as possible."

The cooperative hopes to work with farmers who emphasize sustainability, promoting their soil health.

"We're giving farmers an alternative to the commodity market," Williamson said. "In working with us, they get to tell me, 'This is my price, this is what I need.'"

Williamson said malting barley averages 10 cents a pound, but he pays 20 to 30 cents per pound.

The cooperative plans to sell to small and large breweries, local home-brew shops and distillers within Washington, primarily in

the Spokane area.

Colfax, Wash., farmer Bill Myers sells the cooperative barley and wheat through his Joseph's Grainery brand. He believes it will be a different offering in the marketplace.

"There's a big vacuum in Eastern Washington and Northern Idaho," Myers said. "The malt he's putting out is excellent. Unless they can get it from Europe or something, they are just buying the same malt everyone else does. That's what craft brewing is all about, having something different than the other guy."

Lind, Wash., farmer James Wahl will sell triticale to the co-op, on a trial basis at first.