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Idaho

Idaho water outlook optimistic

By JOHN O'CONNELL
Capital Press

IDAHO FALLS, Idaho — A wet fall and signs pointing to a snowy winter have water supply experts optimistic that the state's irrigators will start the 2017 season with an adequate water supply.

Ron Abramovich, Idaho water supply specialist with USDA Natural Resources Conservation Service, calculates the Upper Snake Basin needs just 82 percent of average streamflow from April through September to meet irrigation demands.

His estimate is based on the projection that the Upper Snake reservoir system will reach 1.3 million acre-feet of storage by the winter's end and the assumption that 4.4 million acre-feet of storage is needed to meet demand. The difference must come from snowpack.

The outlook is mostly good in other basins throughout the state.

Abramovich estimates average streamflows required for an adequate supply at 39 percent in the Little Wood, 44 percent in the Teton, 47 percent in the Owyhee, 51 percent in the Boise, 64 percent in the Big Wood, 71 percent in Salmon Falls, zero in the Bear River, 90 percent in the Oakley, 93 percent in the Big Lost and 118 percent in the Little Lost.

Last winter, most of the state was blanketed with an average snowpack, but it melted at a record pace in April,



John O'Connell/Capital Press

Ron Abramovich, Idaho water supply specialist with USDA Natural Resources Conservation Service, discusses the water outlook Dec. 7 during the Idaho Ag Outlook Seminar in Idaho Falls.

followed by a dry summer. As a result, reservoir carryover and streamflows were depleted near the end of the irrigation season, but the fall brought record moisture.

"We knew some of our streamflows were record low by summer's end, so now many of them are back at near normal or better going into winter," Abramovich said.

For the water year that began Oct. 1, the Upper Snake has received 145 percent of average precipitation, but October rain melted the snow. Snowpack in the Snake River Basin above Palisades Reservoir was 73 percent of normal as of Dec. 8.

But Abramovich expects the state to catch up during a December predicted to be wet.

For the winter, he said, the state is coming out of a strong El Nino pattern, a condition that produces above-average streamflows in the Upper Snake two-thirds of the time. He said in 1998, a similar year, the Upper Snake had 131 percent of average snowfall.

Abramovich said NRCS is in the midst of producing a new report that will help irrigators prepare for the possibility of a surplus water supply. Projections show the Upper Snake would need 6.8 million acre-feet to have a surplus supply, and the region has experienced such a wet winter "only a handful of times in the past."

Brian Olmstead, general manager of Twin Falls Canal Co., has been encouraged by recent base flows and reservoir gains, but he believes a big water year will be needed to "jumpstart" an agreement surface irrigators and groundwater users have reached to build the aquifer. He's hoping for the opportunity to intentionally inject flood-control releases into the aquifer to build groundwater levels, called managed recharge.

"You can't recharge a lot unless you get into flood control," Olmstead said, adding the state has added infrastructure to do more recharge in the Upper Valley.

Lyle Swank, watermaster for the Upper Snake district, said Palisades dipped to 6 percent full at the season's end and is now 23 percent full. He's hopeful for more than the bare minimum to make it through the season.



Sean Ellis/Capital Press

Mint is harvested in a southwestern Idaho field in June. Idaho's 2.8 percent growth in gross domestic product during the second quarter of 2016, the third highest rate in the nation, was driven largely by the state's farming sector.

Idaho's second-quarter GDP gain driven by agriculture

By SEAN ELLIS
Capital Press

BOISE — Agriculture in Idaho is down from its glory days of a few years ago but the farming sector continues to play a major role in the state's overall economy.

Idaho's gross domestic product grew at the third-fastest rate in the nation during the second quarter of 2016. The increase was driven by the state's agricultural sector.

According to the U.S. Bureau of Economic Analysis, Idaho's total GDP grew at an annualized rate of 2.8 percent during April-June when compared to the previous three months.

"Idaho (GDP) went strongly positive in the second quarter and leading the way was agriculture," said University of Idaho Agricultural Economist Garth Taylor.

That rate, which is inflation adjusted, outpaced the national growth rate of 1.2 percent for the second quarter. Idaho ranked third behind Nebraska (4.3 percent) and Utah (3.3 percent).

Agriculture accounted for 55 percent of Idaho's total 2.8 percent GDP growth during the second quarter, according to the bureau.

"It's pretty astounding that over half of that was contributed by agriculture," said Ethan Mansfield, a regional labor economist at the Idaho Department of Labor.

Idaho farm GDP had declined 8 percent in the first quarter of 2016 when compared to the fourth quarter of 2015 but rebounded during the second quarter.

Total farm GDP in Idaho during the second quarter was an inflation adjusted \$2.94 billion, a 9 percent in-

crease over the first-quarter total of \$2.7 billion.

Idaho farm earnings totaled \$1.81 billion during the second quarter of 2016, up 7.7 percent from \$1.68 billion in the first quarter, and farm proprietors' income totaled \$1.14 billion during the second quarter, up 12.9 percent from \$1.01 billion.

While the upturn in Idaho ag GDP is good news, the sector can experience some wild swings, both up and down, from quarter to quarter because of fluctuations in farm commodity prices, Taylor said.

"We know that agriculture is volatile," he said. "Even during the boom years for agriculture, we see some quarters where GDP in agriculture declines."

According to a study by UI ag economists, the state's agricultural sector is directly and indirectly responsible for 14 percent of Idaho's total GDP, 1 in every 7 jobs and 20 percent of sales.

Though total cash receipts and net farm income in Idaho are off significantly from their records of a few years ago, farming continues to play a major role in the state's economy, Taylor said.

He said a good sign for Idaho agriculture is that state and federal data show Idaho net farm income growing faster than the national average.

Since 1997, he said, Idaho net farm income has increased 200 percent in inflation-adjusted dollars while U.S. net farm income has remained essentially steady.

"Idaho's growth pattern (in net farm income) is well above the national average," Taylor said. "It's come back down (recently) but it's still growing over the long term."

Idaho farm receipts down less than U.S.

By JOHN O'CONNELL
Capital Press

MOSCOW, Idaho — Cash receipts from Idaho agricultural commodities sold during 2016 will be down, but by less than the national decline, according to a recent University of Idaho economic report.

UI agricultural economists Ben Eborn and Garth Taylor project Idaho farmers, ranchers and dairymen will earn \$7.2 billion this year, down 4 percent from 2015.

The report, finalized on Dec. 5, reflects a 19 percent statewide decline in agricultural receipts compared with their highs in 2014, when revenue was nearly \$8.15 billion. Nationwide, USDA projects agricultural cash receipts, at \$353 billion, will be down 6 percent from 2015, and down 13 percent from the 2014 peak.

"The good news is it's not down nearly as much as we were expecting," Eborn said.

The economists were pleasantly surprised by milk sales that far surpassed a gloomy summer outlook. Idaho milk sales, at \$2.32 billion,



John O'Connell/Capital Press

Sugar beets are piled in Aberdeen, Idaho, on Oct. 27. Beets were among the few bright spots on a recent University of Idaho agricultural economics report, finding Idaho's farm cash receipts were down by 4 percent from the previous year.

were down just 1 percent from the previous year, according to the report. U.S. milk sales dropped by 5 percent.

Rick Naerebout, director of operations with Idaho Dairymen's Association, initially feared milk prices would languish for much of the year around \$14 per hundredweight, but prices rebounded beginning in the late summer. Naerebout said Idaho's milk predominately goes into the cheese market, which held relatively steady, and other regions of the country produced milk beyond their processing capacity, and even dumped some.

"On average, 2016 is going to be a below break-even year for Idaho dairymen," Naerebout said. "We're thankful the record year in 2014 seems to be carrying through enough that guys are able to weather the storm."

Most Idaho commodities experienced declines. The economists estimate sales of cattle and calves, at nearly \$1.74 billion, were down 11 percent. Wheat revenue dropped 11 percent to \$412 million, allowing hay to become the state's No. 2 crop. The \$413 million in Idaho hay sales, nonetheless, were down 6 percent. About half of Ida-

ho's hay production is used on farm and doesn't count toward the total.

"We're still looking at a big, huge glut in wheat," Taylor said. "Our grains are still hanging over the market, and there's still large stocks of hay out there."

Sales of Idaho potatoes, at \$848 million, were down 3 percent. Bean revenue, at \$74 million, was down 1 percent.

Sugar beets and barley represented bright spots on the report. Sugar beet revenue, at \$284 million, was up 2 percent, with record yields and sugar content offsetting a 6 percent decline in the price of sugar. Barley revenue, at \$304 million, was up 16 percent from 2015. Soda Springs dryland barley farmer Scott Brown said malt companies contracted heavily following a 2014 season in which the crop sustained widespread sprout damage. Brown said malting companies also bought a lot of the overages from a big, high-quality crop this fall, but they now have a full supply and are cutting back on contracting for next season.

Republican rancher will chair Idaho House ag committee

By SEAN ELLIS
Capital Press

BOISE — Rep. Judy Boyle, a Republican rancher from Midvale, has been selected to chair the House Agricultural Affairs Committee.

She is one of 11 current or retired farmers or ranchers who will chair House and Senate committees in the Idaho Legislature when the 2017 session starts in January.

Boyle, who is in her fifth term in the legislature and has been named one of the 100 most influential people in Idaho, said her predecessor, Ken Andrus, set a high bar.

Andrus, a Republican rancher from Lava Hot Springs who chaired the House ag committee for six years before retiring in 2016, was praised by members of the state's farming community for his fairness.

"I have some pretty big shoes to fill to replace our last chairman but I'm going to do my best," said Boyle, who served as the natural resources director for former U.S. Re. Helen Chenoweth.

Andrus, who will continue ranching, has known Boyle

since his first year in the legislature in 2004 when she was a lobbyist for Idaho Farm Bureau Federation.

"She gained a lot of good experience when she worked on (Chenoweth's) staff," Andrus said. "She's certainly qualified and knows the issues. She's very capable and I think she's a great choice."

Rep. Steven Miller, a Republican farmer from Fairfield who serves on the House ag committee, said Boyle has a solid background in agriculture and natural resource issues.

"When she looks at an issue, she does a lot of research on it," Miller said. "I think Judy will do a good job."

Besides Boyle, 10 other ranchers or farmers, all Republicans, will chair committees.

In the House, that list includes Reps. Maxine Bell (Appropriations Committee), Julie VanOrden (Education), Dell Raybould (Environment, Energy and Technology), Marc Gibbs (Resources and Conservation) and Thomas Loertscher (State Affairs).

In the Senate, it includes Sens. Jim Patrick (Commerce

and Human Resources), Patti Anne Lodge (Judiciary and Rules), Steve Bair (Resources and Environment), Jeff Siddoway (State Affairs) and Bert Brackett (Transportation).

Sen. Jim Rice, an attorney, remains as chairman of the Senate Agricultural Affairs Committee.

Rep. Scott Bedke, a Republican rancher from Oakley and former president of the Idaho Cattle Association, retained his position as speaker of the House and Rep. Mike Moyle, a Republican rancher and farmer from Star, will remain as House majority leader.

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