

Cannabis testing reveals biopesticide contamination

Oregon regulators issue six 'stop sale' orders in past year

By MATEUSZ PERKOWSKI
Capital Press

Mandatory testing of cannabis in Oregon has revealed several biopesticides contaminated with more highly regulated chemicals, prompting regulators to halt sales of the products.

The problem has led the Oregon Department of Agriculture to believe such contamination probably is not limited to marijuana, this state or a certain pesticide product.

"In a way, this kind of tipped us off that we could be seeing this in other crops," said

Rose Kachadoorian, ODA's pesticide registration and certification leader. "These pesticides are marketed nationally."

To complicate the situation, such contamination renders the pesticides adulterated and misbranded under Oregon law but it's allowable under a federal policy adopted two decades ago by the U.S. Environmental Protection Agency.

Before 1996, the EPA considered any level of impurity "toxicologically significant," but then the agency changed its policy to allow up to 1,000 parts per million of contamination by certain other pesticides.

The federal policy recognizes that low-level contamination may occur at large facilities that aren't dedicated to one chemical and it's primarily concerned with toxicity to

plants, Kachadoorian said.

Oregon and other states are urging the EPA to reconsider this "pesticide regulation notice," or PR notice, to potentially exclude organic biopesticides from the policy, or herbicides sprayed over the top of genetically engineered crops, she said.

Contamination with an herbicide to which a crop isn't resistant could damage the plant, while prohibited residues could result in rejection by domestic or foreign buyers, Kachadoorian said.

"It happens all the time that retailers are testing," she said.

If a grower sprays a pesticide that's labeled to have a short duration but the product is contaminated with a longer-lasting chemical, then the crop could exceed "tolerance"

levels for the latter substance, Kachadoorian said. In other cases, the product may have no "tolerance" level for the contaminant.

"We're concerned about truth in labeling," she said.

Recreational and medical marijuana must undergo testing in Oregon.

The biopesticide issue came to light when a cannabis grower was adamant that he hadn't used a permethrin pesticide for which his marijuana had tested positive.

It turned out the neem oil he'd applied as a biopesticide was contaminated. ODA conducted additional tests of other containers to confirm the impurity.

When contacted about the problem, the pesticide manufacturer pointed to EPA's pol-

icy, Kachadoorian said. "We had never heard of that and none of the other states we are dealing with had heard about this."

Over the past year, ODA has issued "stop sale" orders for six biopesticide products due to contamination discovered during cannabis testing. Four of the products were derived from neem seeds and one was a pyrethrum concentrate.

The contaminants included permethrin, bifenthrin, cypermethrin, cyfluthrin, chlorpyrifos, fenpropathrin, lambda-cyhalothrin, piperonyl butoxide and MGK-264, none of which were listed on the labels.

In the past, companies have spiked biopesticides with more powerful synthetic chemicals, Kachadoorian said. "That was certainly one of the things we

looked at, because we've seen it before."

However, manufacturers involved in the six "stop sale" orders were established firms that weren't considered likely to purposely adulterate their products, she said.

The ODA hopes that companies continue to thoroughly follow their equipment clean-out procedures despite the EPA's pesticide regulation policy, she said. "Are they using this PR notice as intended or are they using it a little more broadly?"

The six products that ODA found to be contaminated remain listed for organic production by the Organic Materials Review Institute, which is prevented by confidentiality from disclosing whether they're under investigation.



Courtesy of Lynn Howlett Photography

Luo Linquan, China's consul general in San Francisco, speaks with Bryan Harper, a hazelnut grower and member of the Oregon Board of Agriculture, as Larry George of the George Packing Co. looks on in the background. The Chinese diplomat met with hazelnut industry representatives June 8 in Silverton, Ore., to discuss trade relations.

Hazelnut growers find common ground with Chinese diplomat

By MATEUSZ PERKOWSKI
Capital Press

Oregon hazelnut growers hope their shared affinity for agriculture with a top Chinese diplomat will create some goodwill in high-stakes trade negotiations.

Luo Linquan, China's consul general in San Francisco, met June 8 with about 15 farmers in Silverton, Ore., to learn about the hazelnut industry and how it's affected by turbulent trade relations between the U.S. and China.

"The farmers who were there really made a connection with the consul general because he grew up on a farm," said Larry George, president of hazelnut processor George Packing. "He realized he had a lot of connection with them and told his story of growing up on a farm."

Linquan heads one of five Consulate General offices in the U.S. His diplomatic jurisdiction includes Oregon, Washington, Northern California, Nevada and Alaska.

At a time of trade tensions between the two countries, the meeting will hopefully prove to be a "huge coup" in putting a human face to the local hazelnut industry, George said.

"It's really important to have someone who has visited with growers directly," said George. "He is a very high-ranking official who is involved in these discussions with Beijing."

Even before the recent strain in trade relations between the U.S. and China, Oregon hazelnut farmers weren't in a competitive position to export directly to that country. China imposed a 25 percent tariff on in-shell hazelnuts from the U.S. as well as a 14.5 percent value-added tax.

To compare, in-shell U.S.

pistachios are subject to a 5 percent tariff, and in-shell hazelnuts from Chile face no tariff.

As a result, the domestic hazelnut industry has long shipped the crop to Hong Kong and other neighboring countries, such as Vietnam, where it's trans-shipped to China.

In April, China raised the tariff on in-shell U.S. hazelnuts by 15 percentage points in addition to raising duties on other agricultural goods from the U.S.

The change prompted more U.S. exporters to attempt trans-shipments into China rather than selling directly into that market, bringing increased scrutiny from Chinese officials who want to prevent products from side-stepping its tax structure.

The effect is a smaller export pipeline for Oregon hazelnuts, roughly half of which are exported, George said.

"Long term, this conversation had to happen, but short term, it could have a very negative impact on the 2018 crop," he said.

Before the recent tariff hike, the hazelnut industry had no direct contact with the Chinese government, said Terry Ross, executive director of the Hazelnut Industry Bargaining Association.

Since the increase, hazelnut industry representatives have attended a meeting at the Consulate General's office in San Francisco and Ross has been invited to speak at the China International Tree Nut Conference in August.

"The Chinese government is engaged, the U.S. government is engaged and we hope something will come to fruition prior to harvest," said Ross. "It's been a blessing in disguise at this point."

Apple sales still behind targets

By DAN WHEAT
Capital Press

YAKIMA, Wash. — With wholesale prices of Red Delicious and Gala apples inching up but still at "unhealthy levels" and other mainstream varieties not doing much better, it's been a "very tough year" for Washington apple growers, particularly small growers, a leading industry observer says.

"If you are a small grower with the wrong varieties, it's a very bad year," says Desmond O'Rourke, retired Washington State University agricultural economist in Pullman and world apple analyst.

The main reason is too many apples. Washington's total 2017 fresh crop was estimated at 134.4 million, 40-pound boxes on June 1, down 688,000 boxes or about one-half a percent from a month ago. While 9 million less than the record 143.6 million-box crop of 2014, this year's crop is part of a large U.S. fresh crop that had 24 percent more apples left to sell on June 1 than a year earlier.

U.S. fresh holdings on June 1 were 31.6 million boxes with Washington holding 26.8 million. Washington's



Dan Wheat/Capital Press

A worker tosses fruitlet apples over her left shoulder as she thins Kanzi apples in Mt. View Orchard, East Wenatchee, Wash., on May 31. Thinning aids the growth of 2018 apples while shippers push to sell the 2017 crop.

crop was 77.8 percent shipped as of June 1 versus 80.1 percent at the same time last year and 81.5 percent two years ago.

Weekly movement has slowed from 3 million boxes in mid-May to 2.2 million boxes in the first full week of June as retail competition from summer fruit increases.

Washington shippers still are 12 million boxes behind their targets, which means a substantial amount still needs to be diverted to processing for juice, sauce and baking ingredients and some Granny Smith will be carried over into

the next season, said Charles Zeutenhorst, general manager of First Fruits Marketing of Washington in Yakima.

The 12 million is probably actually much lower because industry numbers aren't adjusted for repacking, he said.

Harvest timing of the 2018 crop looks normal, he said. If it were early it would exacerbate the carryover.

Harvest starts with Gala in August and ends with Cripps Pink and other late varieties in early November. Controlled atmosphere storage allows 13 to 14 months of sales.

Season-to-date, all Wash-

ington varieties average \$22.95 per box. With Honeycrisp excluded it's \$20.53, O'Rourke said. Including renewal costs such as updating with new varieties, breakeven is about \$20, he said.

The eight mainstream varieties average \$19.77 while proprietary varieties average \$42.14, he said.

USDA tracking of Yakima and Wenatchee shippers showed Red Delicious extra fancy (standard grade) medium size 80 and 88 apples per packed box at \$15 to \$17 on June 11, up for the second month in a row, reflecting good exports.

Gala stayed fairly even on 80s at \$18 to \$25 versus \$18 to \$24 a month ago. Gala moved up \$1 on 88s to \$17 to \$23 from \$16 to \$22 a month ago.

Golden Delicious stayed even at \$20 to \$26 on 80s for the third month in a row and even at \$19 to \$22 on 88s for the second month.

Fuji stayed even at \$18 to \$24 on 80s for the third month in a row and went up \$1 on the high end for 88s at \$16 to \$21.

Granny Smith fell \$5 on 80s from \$24 to \$30 a month ago to \$19 to \$25. It fell on 88s from \$20 to \$26 a month ago to \$17 to \$24.

Busy peak fire season likely in NW, Intermountain regions

By BRAD CARLSON
Capital Press

BOISE — Wildfire forecasters expect a busy season in the Northwest and Intermountain regions through August, thanks to early dry conditions and a healthy crop of fine fuels.

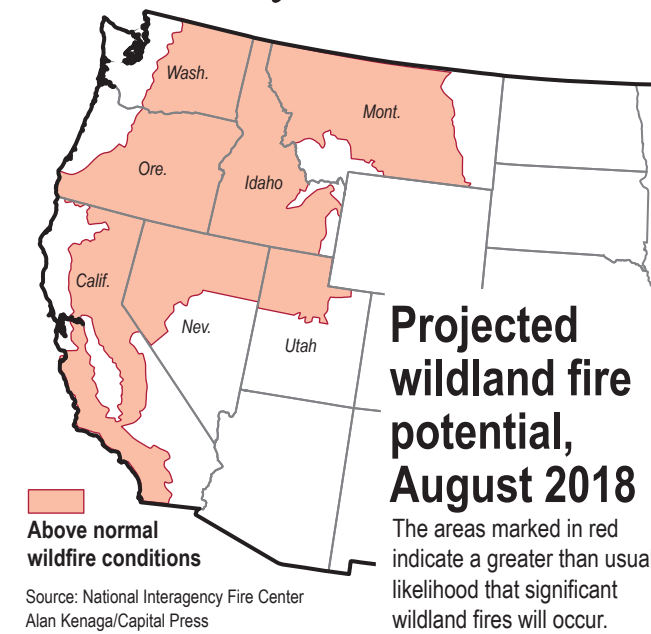
This year's growth of grass and brush and a substantial carryover from 2017 should contribute to continued expansion of wildfire activity in July and August in the region as these fuels continue to dry out, the National Interagency Fire Center said in its June-September forecast.

"As soon as those grasses dry out, there is going to be a lot of fuel for wildfires," said Jennifer Smith, U.S. Bureau of Land Management public affairs specialist at NIFC.

Four fairly small range fires ignited southwest of Boise June 5 and were contained shortly thereafter. Subsequently, rain has spurred more growth of grasses and brush, Smith said.

"When that dries out, there is more potential for fire activity," she said. "That depends on whether there are ignition sources — dry lightning or human causes."

Conditions are expected to be mostly hot, dry and breezy



in coming weeks across the Four Corners region and northward, elevating wildfire risk, Smith said.

NIFC's forecast said parts of California, Washington and Oregon received less than half the normal precipitation in May, jump-starting the fuel-drying process. A dry spring may offset Washington's near-normal snowpack, allowing mountain fuels to become critically dry by July, the forecast said. Later in July, Northern Rockies fuels that grew strongly during the region's wet spring and follow a snowy winter should be dried out at lower and middle elevations.

The healthy fine-fuel crop elevates fire potential through August and early September across many lower and middle elevations from the central Great Basin and California north to Canada, NIFC said. Higher mountain elevations also may see greater fire potential should warmer and drier-than-average conditions develop as expected.

Central Oregon's moderate drought has persisted through May. NIFC is watching the area for possible intensification and expansion of drought in coming months. Drought also lingered in eastern Montana.

Drier-than-average condi-

tions are expected to develop across much of the West starting this month and lasting through September, the NIFC forecast said.

In the Northwest, NIFC expects normal significant fire potential in June. July should see above-normal significant large-fire potential in southeast Washington and southern and north central Oregon. Above-normal conditions are likely in August and September east of the Cascade Range in Washington and Oregon. Southeastern Oregon is expected to return to normal significant wildland fire potential in September.

The Northern Rockies should transition from normal significant wildland fire potential in June to above normal in July, NIFC said, from north central Montana west through Idaho's northern panhandle. This does not include the Beaverhead Deer Lodge National Forest in southwest Montana. But above-normal potential will spread to include south central Montana in August and September.

NIFC said the Northern Rockies figures to still be drying out through mid-July due to above-average snowpack and recent rain. Heavy fine fuels should be dry by mid July at lower elevations in northern Idaho and west central Montana. Higher elevations are expected to be drier than average in the second half of July — thus the increase to above-normal significant wildland fire potential in Idaho as well as western and central Montana.

But wildfire potential should be closer to normal in southwest Montana and Yellowstone National Park as an active summer monsoon season helps keep precipitation and temperature near average in July and August despite abundant lightning, NIFC said.

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OREGON SHEEP COMMISSION
Notice of Public Budget Hearing

Notice is hereby given that a public meeting to review the proposed budget for the Oregon Sheep Commission for fiscal year 2018-2019 will be held on Tuesday, June 26, 2018 beginning at 1:00 PM in the Conference Room of the Oregon Farm Bureau, 1320 Capitol Street NE, Suite 200, Salem, Oregon.

Any person wishing to comment on the budget is welcome to do so either in person or in writing. A copy of the proposed budget is available for public inspection, during normal business hours, in the Commission office located 1270 Chemeketa Street NE, Salem, OR. A request for a copy of the proposed budget may be directed to the Commission office by calling 503.364-5462 or sending a message to: info@sheeporegon.com .

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