



OREGON
ASSOCIATION OF
NURSERIES

**Testimony before the House Committee on Agriculture and Natural Resources
House Bill 2365 - relating to Sudden Oak Death**

By Jeff Stone, Executive Director, Oregon Association of Nurseries
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Chair Witt, Vice-Chairs Gorsek and Sprenger, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. Thank you for the opportunity to provide comments and support regarding House Bill 2365 and the issue of Sudden Oak Death and its impact on the Nursery and Greenhouse industry and forestry.

The Economic Footprint of the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, and the industry ranks third in the nation, with over \$948 million in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, nearly 75% of the nursery stock grown in our state leaves our borders – with over half reaching markets east of the Mississippi River. The nursery industry employs over 22,000 full time workers with an annual payroll over \$327 million. We send ecologically friendly green products out of the state and bring traded sector dollars back to Oregon.

Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties

The Economic Footprint of the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's second largest agricultural sector, and ranks as the third largest nursery state in the nation, with over \$894 million in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, over 75% of the nursery stock grown in our state leaves our borders – with over half reaching markets east of the Mississippi River. We send ecologically friendly green products out of the state, and bring traded sector dollars back to Oregon.

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our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties.

Sudden Oak Death aka *Phytophthora ramorum*

Phytophthora ramorum, the pathogen that causes the plant disease popularly referred to as Sudden Oak Death, is a serious issue for Oregon's growers of nursery and greenhouse plants, and Christmas trees. *P. ramorum* was first found in Oregon nurseries in 2003. As a result of that discovery, the Oregon Department of Agriculture, with industry support, launched a comprehensive surveillance program to look for the pathogen. In 2004, the pathogen was detected in 23 nurseries and the U.S. Department of Agriculture imposed quarantine regulations for Oregon, Washington and California.

Development of the Systems Approach

Over the past decade, a litany of plant pests and pathogens has undermined the nursery industry's long-term health and profitability as a result of diminished markets, increased restrictions and higher regulatory costs. Unfortunately, these organisms can be transported with nursery stock and are often difficult to detect with traditional endpoint inspections. To address these issues, the OAN has been actively involved in the advocacy, development, test-piloting and dissemination of new systems for pest risk management aimed at preventing the introduction and spread of plant pests and pathogens using the 'systems approach.'

The systems approach means utilizing two or more different controls that work independently, with cumulative effect, as part of an integrated approach, to prevent or manage current or potential pest and pathogen problems. In 2004, the OAN approached APHIS to develop such a program, and that partnership resulted in the United States Nursery Certification Program (USNCP). Additionally, the ODA, in cooperation with the OAN, piloted a second systems approach program called the "Grower Assisted Inspection Program" (GAIP), which uses a HACCP-style program employing critical control points. Both programs use official third-party audits, detailed recordkeeping for traceability and phytosanitary or production-based systems that either preclude or mitigate issues at the earliest possible point.

APHIS endorsed the concept of the systems approach when the Agency reached agreement with Canada and Mexico on a timetable for implementing a program of inspection, audits and certification for nurseries that want to ship product to Canada or Mexico. Such nurseries will need to adopt the systems approach (or its equivalent) as part of future requirements governing the movement of nursery stock between Canada, the United States and Mexico.

Congressional Action

As part of the 2008 Farm Bill, Congress directed USDA/APHIS to develop a system of pest and disease management that would reduce or eliminate the risk of spreading plant pests through interstate shipment. Further, in the past several years, Congress has, at the request of OAN, provided an increase in annual funding for APHIS for *P. ramorum* activities to approximately \$5.3 million dollars.

Over the past decade, the OAN has worked hard to secure over \$30 million to USDA for pest and disease funding for Sudden Oak Death and other threats to the specialty crop industry. The programmatic funding keeps research and programs intact to keep markets open.

A decade of suspicion

For the nursery industry, 2004 was not a good year. Oregon, Washington and California saw a spike in trees and susceptible plants infected with *Phytophthora ramorum*, the pathogen that causes sudden oak death (SOD).

Officials with the U.S. Department of Agriculture did as they had done when exotic pests such as the emerald ash borer and the Japanese beetle appeared stateside. They implemented a federal order to stop the movement of what might be infested material. In this way, the emergence of pests and diseases can diminish markets, undermine an industry's long-term health and profitability, and increase regulatory costs.

The West Coast states — the object of much scrutiny for SOD by state and federal regulators — took aggressive measures. They tested and inspected every tree or plant prior to putting it on the truck. But progress and perception don't always align. Although the disease existed elsewhere, the West received the brunt of the SOD stigma. In 2011, the USDA amended its federal order to require that nurseries prenotify the receiving states anytime they shipped any of the five genera considered most likely to host *P. ramorum*.

This order only targeted plant material from Oregon, California and Washington. This was a big-time expansion of the original order. In effect, it treated all West Coast nurseries — and no others — as if they had a problem. The nursery association decided to fight this unfair regulation.

Collaboration and outcomes

In politics, a lot goes on behind the scenes and out of the public eye. Sometimes there can be terse phone calls and regrettable emails. But when people reach out, there are strategy sessions, constructive dialogues, and a real effort to balance differing perspectives. By sitting down together, stakeholders can get to the core of a problem and find a better solution — instead of the obvious, Draconian one.

In response to the USDA prenotification rule, the OAN's volunteer leaders — spanning the terms of three presidents of our association — launched such an effort to be heard. Their objective? A system that protected the horticultural trade, yet treated everyone fairly. One that encouraged people to ask for help if they encountered a problem.

Due to the political sensitivity these leaders possessed, the effort was a success. We earned the support of state legislators, members of Congress, and Oregon's governor. Then U.S. Secretary of Agriculture Tom Vilsack even toured an Oregon nursery and

listened to our concerns. To their credit, USDA officials also proved a willingness to listen and work with both sides of the issue to solve a problem.

When you combine an outcome-first approach along with decision makers willing to collaborate, good things usually happen, and they did.

Reason and fairness win

Three years and a lot of work led to a reasonable and fair result. The USDA rescinded the most damaging aspects of the federal order. The process of rooting out diseased material is now streamlined. It focuses on nurseries that have tested positive for *P. ramorum*, regardless of their location. All other nurseries in western states are now free of the former prenotification requirements.

For those nurseries that have tested positive, the USDA has been developing mitigation techniques. These nurseries are still subject to prenotification requirements, but the process will be easier. The impacted nurseries will be able to upload electronic documents (invoices) to a website, triggering an automatic notification email to the destination state. This will reduce the costs for all.

Once these nurseries test clean for three years, they can be removed from the prenotification list entirely. This focus on positive-testing nurseries will free up state departments of agriculture, and the USDA, to use their regulatory resources more efficiently. This includes helping nurseries use best management practices and critical control point assessments to isolate disease on arriving plant material before it can ever gain a foothold.

Revised plant shipping rules lower regulatory burden

Revised USDA plant shipping regulations that are designed to combat the spread of *Phytophthora ramorum* took effect on March 31, 2014. As a result, nurseries in regulated counties are no longer subject to inspection, sampling and certification requirements, unless the pathogen has been detected at that nursery in the last three years.

The new regulation is a significant victory for Oregon nurseries, and one that the association fought hard for. The initial regulation placed all West Coast nurseries under strict notification requirements, regardless of what they were shipping. The next iteration narrowed it down to certain genera most susceptible to the pathogen, but still treated all West Coast nurseries as if they were infected.

A guidance document and new federal order language will dramatically reduce the burden on western nursery states. The USDA has gone from 3405 nurseries regulated in 2013 to less than 220 beginning April 2014. **A reduction of 97.5%.**

How the OAN and ODA attack Sudden Oak Death is a critical partnership

The ODA and the Oregon nursery industry have worked together to implement an aggressive program of inspection, testing and eradication for Oregon nurseries that grow susceptible plant material. These efforts have proven successful.

Oregon's growers of nursery and greenhouse plants remain committed to the task of preventing the spread of *P. ramorum*. The industry supports a robust program of nursery licensing and inspection that is paid for through nursery license fees. ODA's nursery inspection program supports 15 horticultural inspectors, a research fund and an emergency pest and disease response fund.

When forestry funds to deal with a SOD outbreak hit in 2008, the OAN, Oregon Forest Industries Council, Oregon Farm Bureau Federation, Oregon Small Woodlands Association as well as The Nature Conservancy worked with the Oregon State Legislature to allocate emergency funding of \$427,500 for control and eradication efforts in Curry County. This money was critical to prevent even higher loss of product and helped stem the disease.

Solving the problem leads to a better regulatory environment

This focused, systematic approach to the problem of pests and diseases isn't just about less regulation. It's about cleaner plants. And the best thing? This approach goes beyond sudden oak death. It could be used to tackle threats we don't even know about yet. In fact, the OAN worked with Oregon State University, Washington State University and USDA – Agricultural Research Service to develop the first of its kind production manual to prevent the spread of pest and diseases in the nursery and greenhouse industry. The “Safe Procurement and Production Manual: A Systems Approach for the Production of Healthy Nursery Stock” may be found at

www.oan.org/resource/resmgr/imported/pdf/SafeProduction.pdf

House Bill 2365 deserves support

The appropriation of dollars to the State Forestry Department for the next biennium is needed to carry out integrated pest management programs to combat Sudden Oak Death. The task force, led by State Representative David Brock Smith and United States Senator Jeff Merkley, will set the stage for significant movement toward a more systematic approach to dealing with this issue and dollars allocated will be proven to be a wise investment. The loss of market access will far exceed the \$1.7 million allocation and we urge the committee to take the long view on this important issue.

Our state is not defined by its problems and challenges, but its solutions. What matters is how we address issues, seek collaboration, and achieve positive outcomes. That is why we support this bill. House Bill 2365 helps with the issues facing forestry through an appropriate allocation of dollars and creating a long lasting solution to Sudden Oak Death. It deserves your support.

Thank you for your time and attention.

