Associated Oregon Hazelnut Industries

Honorable Betsy Johnson, Co-Chair
Honorable Elizabeth Steiner Hayward, Co-Chair
Honorable Dan Rayfield, Co-Chair
Joint Committee on Ways & Means
H-178 State Capitol
Salem, OR 97301

RE: Support for SB 257

Senators Johnson, Steiner Hayward and Representative Rayfield:

The Associated Oregon Hazelnut Industries represents the 800 growers and processors of hazelnuts in Oregon. Oregon is home to 99.9% of the U.S. hazelnut industry and acreage has increased from 28,000 to over 80,000 in the last ten years. The industry is positioned to be one of the largest in Oregon when the newly planted trees reach full production. During the past five years the industry has contributed nearly 250 million dollars to the economy of Oregon annually.

However, were it not for the combined effort of growers, the State and Oregon State University, this promising industry in Oregon would not exist. In the 1980's when Eastern Filbert Blight (EFB) was detected in hazelnut orchards, the State of Oregon, OSU and growers launched an effort to conventionally breed varieties that are resistant to EFB and to determine the best route to keep the disease at bay in the existing trees until the new varieties could be released. This partnership remains strong and is an Oregon success story. Growers have contributed over 10 million dollars in this monumental effort. Many believe the situation has now changed and we will not need continued research. The reality is we need it more than ever before. We have documented research that proves that the trees resistant to EFB here have no resistance to different strains of EFB in the eastern part of the U.S.

The OSU breeding program is the most advanced and revered hazelnut breeding program in the world. The researchers involved are working diligently to stay ahead of this potential issue by stacking different sources of resistance in the new varieties in the breeding program pipeline. The limiting factor is the lack of expertise in the complicated world of genomics. The intent is not to create a genetically modified hazelnut variety, but rather to use genomics to determine which crosses to make in the traditional breeding program. Crosses could be made to thwart EFB and also to ensure positive attributes like size and flavor are present.

The Oregon Hazelnut Commission which is totally grower funded, has OSU proposals totaling over $700,000 for the 2019-20 year. These span the horticulture, pathology and food technology departments. The newly developed EFB resistant varieties have different agronomic needs than the older varieties. Research at OSU and the transfer of that research to growers is paramount to the continued success of the industry.

Increased state mandated costs affecting retirement, health insurance and salary increases have dwarfed the available funds for pure research. Growers value their solid partnership with OSU, but are in dire need of help to ensure staffing has the expertise necessary to keep the industry viable.

Because the funding in the 2017-19 biennium virtually reversed the gain made in the prior biennium, we were very surprised that the Governor's budget did not provide for any increase for the OSU Statewides. For a growing industry that is built on good stewardship, sustainability and environmentally friendly practices, that decision did not make common sense.

Economics is but one aspect of the importance of the industry to the state. Hazelnut trees produce 80 to 100 years. Thus many growers are multigenerational and all have to be long term thinkers. They have a high level of stewardship and sustainability built in to their individual practices. Integrated Pest Management (IPM) is a mainstay in their programs.

In the 1980s growers funded researchers at OSU who imported a wasp to control aphids thus greatly reducing the need for pesticides. This has become a classical biological control success story. More recently they have supported work on the use of another wasp to control Brown Marmorated Stink Bug, which is a growing problem for many crops as well as home owners in cities throughout the country.

We feel the 30 million dollar increase asked for by OSU is a thoughtful request that will both restore the Statewides to 2017 levels and enable investments in several very important areas. The viability of the hazelnut industry is one of those areas and growers look forward to a continued strong partnership with both OSU and the State of Oregon well into the future.

The growers of hazelnuts in Oregon respectfully request your "yes" vote on SB 257. This will enable Oregon to continue to be home to the growing world renowned hazelnut industry, benefitting our environment, our people and the state of Oregon.

Sincerely,

Polly Owen

Polly Owen, Research Director
Associated Oregon Hazelnut Industries

Associated Oregon Industries
21595 A Dolores Way NE - Aurora, OR 97002
Phone 503.678.6823 Fax 503.678.6825
hazelnut@oregonhazelnuts.org