

House Agricultural Affairs Committee

Minutes
2007



MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 10, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 2:30 p.m. Chairman Trail welcomed the guests and committee members. Self introductions of the Representatives and staff followed.

Chairman Trail announced there will be a joint meeting with the Senate Agricultural Affairs, House Resources and Conservation, and the Senate Resources and Environment committees, Friday, January 12th, at 9:00 a.m. in the Gold Room. It will be conducted by the Idaho State Department of Agriculture and the Idaho Department of Fish and Game. An update on the eastern Idaho elk situation

Subcommittee assignments were given for the rules review. Subcommittee assignments are as follows:

CROPS - meeting January 18th
Representative Bolz - Chairman
Representative Stevenson
Representative Shirley
Representative Durst

LIVESTOCK - meeting 22nd
Representative Andrus - Chairman
Representative Pence
Representative Patrick
Representative Lake

ADMINISTRATION - meeting January 18th
Representative Trail - Chairman
Representative Chavez

Chairman Trail announced the meeting for January 16th will be held in the Gold Room where the Idaho State Department of Agriculture will present their annual report.

PRESENTATION: **Rich Garber**, College of Agricultural and Life Sciences, University of Idaho, introduced **Dr. Garth Taylor**, Agricultural Extension Economist at the Agricultural Economics and Rural Sociology Department at the University of Idaho. Dr. Taylor gave a Powerpoint presentation and discussed the financial condition of Idaho's agriculture and the forecast for 2006. The cash receipts for Idaho farms for 2006 are estimated to be slightly above last year's record of \$4.48 billion. The gain is because of specialized crops. The net farm income, the farmer's paycheck, is estimated to be 23% lower than in 2005 and can be attributed to the decrease in government payments and livestock revenues. However, revenues from services and forestry are estimated to be 2% higher. Idaho is losing agriculture diversity and the shift in the economy from crops to livestock has been swift and dramatic. Potatoes have struggled to bring in higher cash receipts but milk has higher receipts. Farming's backward - and forward - linked industries – the suppliers to farms and processors - have shifted in response. The decrease in the federal government payments to Idaho agriculture and the net revenues minus expenses make payments down and the real net farm income is below the 37 year typically due to the high cost of fuel. Farmers have a hard time when there are huge ups and downs in the volatility income. There is a teeter-totter effect with the price of hay driven up by the dairy industry and onions and corn up, but potatoes rices, bean production, wheat, and greenhouse/nursery down. It is expected that beef will be in reasonable demand in 2007. The loss of the Tyson plant will hurt prices. Milk production is the fourth in the nation and cheese is third. They are expected to have lower prices but higher feed costs. Potato production will be up and the price will be stable. Dr. Taylor predicts high costs in labor, fertilizer, fuel, land, and water pumping though the outlook for water is good.

A question was asked how the supply chain will be affected by the state's economy. It would have a ripple affect because agriculture is 15 to 18 percent of the state's economy.

A question was ask how many farm producer are in Idaho right now. The number of farms has not dropped, but a smaller number of farms produce a larger number of products. Farmers used to be landowners but now farmers don't own land because of the cost of the land. The farms are not bigger, just more productivity.

A question was asked if Idaho is getting more new crops such as figs and vineyards. There are more wineries, but they are tourist attractions. The interest in organic or natural foods is increasing.

A question was asked if agriculture is still Idaho's number one industry. It may be close to having the largest impact to the state and is still growing. Retail and service industries are very large.

A question was asked what is the state doing to keep the farming industry stable. Specializing, is making agriculture big and new ways to develop crops.

ADJOURN: There being no further business to come before the committee,
Chairman Trail adjourned the meeting at 3:45 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES
JOINT SESSION
HOUSE RESOURCES & CONSERVATION COMMITTEE
HOUSE AGRICULTURAL AFFAIRS COMMITTEE
SENATE RESOURCES & ENVIRONMENT COMMITTEE
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 12, 2007

TIME: 9:00 AM

PLACE: Room 412

MEMBERS: Chairman Stevenson, Vice Chairman Wood (35), Representatives Bell, Barrett, Moyle, Eskridge, Raybould, Bedke, Andrus, Shepherd (8), Brackett, Wood (27), Vander Woude, Sayler, Pence, Chavez, King, Shively

**ABSENT/
EXCUSED:** Informational Session: No roll call was taken.

**SENATE
RESOURCES &
ENVIRONMENT
COMMITTEE** Chairman Schroeder, Vice Chairman Pearce, Senators Cameron, Little, Andreason, Coiner, Siddoway, Stennett, Langhorst

**HOUSE
AGRICULTURAL
AFFAIRS
COMMITTEE** Chairman Trail, Vice Chairman Andrus, Reps. Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**SENATE
AGRICULTURAL
AFFAIRS
COMMITTEE** Chairman Cameron, Vice Chairman Heinrich, Senators Schroeder, McGee, Corder, Hill, Siddoway, Stennett, Kelly

GUESTS: John Chatburn, Deputy Administrator, Division of Animal Industries, Idaho State Department of Agriculture (ISDA); Jim Unsworth, Bureau Chief for Wildlife, Idaho Department of Fish & Game (IDFG)
See sign-in sheets for other guests.

TO ORDER: Senator Tom Gannon, presiding, called the Joint Session to order at 9:02 a.m. This meeting is comprised of an unusual grouping, but is appropriate.

The Joint Session results from the respective Chairmen comparing notes regarding the legislation that is anticipated this session relative to domestic cervidae. All four agree that it would be well to start from a foundation of base-line information, and a briefing as to events occurring this past summer. Chairman Gannon said there would be no public testimony because there will be no hearings, only informational presentations. He asked for questions to be held until the end of the presentations.

**UPDATE ON
EASTERN IDAHO
ELK SITUATION:** John Chatburn, Deputy Administrator, Division of Animal Industries, Idaho State Department of Agriculture (ISDA) gave an update on the Eastern Idaho elk situation. (See Exhibit 1, Domestic Cervidae

**IDAHO
DEPARTMENT OF
AGRICULTURE:**

**John Chatburn
Deputy
Administrator**

Program Chronology; and Exhibit 2, Rules Governing Domestic Cervidae)

The Chronology of the domestic cervidae program is as follows:

- 1991 - Fallow Deer imported from Montana to Hammet, ID, test positive for Tuberculosis (TB). The ISDA and IDFG depopulate the infected herd.
- 1994 - Domestic cervidae authority transferred by the Legislature from IDFG to ISDA.
- 1995 - ISDA publishes first domestic cervidae rule in IDAPA 02.04.03. This rule included provisions for disease testing on imported cervidae and licensing domestic cervidae farms.
- 2000 - Mandatory chronic wasting disease (CWD) testing and importation requirements are put into IDAPA 02.04.03.
- 2001 - Idaho Legislature authorizes ISDA to issue civil penalties effective March 23, 2001.
- 2001 - ISDA issues a notice of violation with civil penalties to a hunting ranch located in Madison County, Idaho for various violations including operating without a Cervidae Farm License.
- 2001 - CWD trace revealed that 37 domestic cervidae imported from Colorado to a domestic cervidae farm in Salmon, Idaho, may have been exposed to CWD. ISDA quarantined and depopulated all 37 animals imported from Colorado and collected samples for CWD testing. There were no CWD positive test results.
- 2002 - Idaho Legislature amends domestic cervidae law to eliminate the provision that allowed ISDA to assess each day of an ongoing violation as a separate violation. Mr. Chatburn noted that a media misperception was promulgated at the time that the Legislature forgave a \$750,000 civil penalty. The penalty was never issued by ISDA. If the department had assessed maximum penalties on each potential violation, up to \$750,000 could have been assessed. The actual violation assessed was about \$60,000.
- 2002 - ISDA publishes the domestic cervidae rules as a separate chapter in IDAPA 02.04.19. The requirement to license domestic cervidae farms is removed from this rule because the AG determined that ISDA did not have the specific statutory authority to require the licenses.
- 2003 - ISDA proposes a bill to, among other things, require the permitting of domestic cervidae farms.
- 2006 - Numerous elk escaped from a domestic cervidae farm in eastern Idaho
- For specific information relating to animals harvested inside and outside the Chief Joseph enclosure; and subsequent testing for CWD, Tuberculosis (TB), Red Deer Genetic Factor, and Brucellosis, see Exhibit 1.

QUESTIONS: Rep. Barrett asked why animals were harvested inside the enclosure. Mr. Chatburn said they were harvested in commercial

hunting activities.

Rep. Chavez asked how the meat from the animals was disposed. Mr. Chatburn said it was taken to a custom exempt slaughter facility after field dressing, processed, and delivered to a charitable organization.

Rep. Durst asked if it was customary for a domestic cervidae ranch to keep an animal inventory. Mr. Chatburn said there was an inventory. Calves born are not required to be inventoried, identified, and reported to ISDA until 12/31 of the year they are born. That is how 20 animals of unknown status came to be listed.

Rep. Andrus asked if the department was satisfied that the animals tested for Red Deer Genetic Factor did not carry the gene. Mr. Chatburn said testing for the Red Gene Genetic Factor was run at a commercial lab in Canada—the only lab in North America doing any type of test for Red Deer. It is not a DNA test, but a blood test looking at protein markers identified over a period a time as indicating potential for Red Deer genetic influence. It is not unlike what is done for Brucellosis. Testing positive does not mean an animal has Brucellosis, but animals are treated as if they have the disease. The same approach is used where animals test positive for Red Deer Genetic Factor, based on protein markers. The animals from the Chief Joseph enclosure tested exactly the same on two tests from two samples drawn a week apart. It was concluded that they did have Red Gene influence and were ordered depopulated pursuant to the rules.

Rep. Andrus asked if it is illegal in Idaho to have animals with the Red Deer gene, and if there is a penalty. Mr. Chatburn said the rules require all animals imported into Idaho either to test negative or be from a herd registered with the North American Elk Breeders Association. It would be illegal if importation documents were falsified. The animal in question did test negative prior to being imported to Idaho a number of years ago. The test was done at a commercial laboratory in Colorado. It is not known what test was used; and the lab is no longer in the business of conducting tests for Red Deer Genetic Factor. In this case, the current test results were used to make a determination.

Senator Schroeder asked if it was known how the fence was breached; and if fence breaching would be an on-going problem on elk ranches. Mr. Chatburn said it is unknown why the fence was breached. On inspection, the breach had been repaired. It occurred where two rolls of wire were spliced together. In the ten years ISDA has had oversight of the domestic cervidae program, this is the first documented escape due to a fence breach. Generally the cause is an insecure gate.

Senator Schroeder asked for a characterization of the soil and topography. Mr. Chatburn said he hadn't seen the facility, but from pictures it appears to not be heavily wooded and fairly flat.

Rep. Barrett asked about the practice of splicing, and how it related in this instance. Mr. Chatburn said the fencing used is traditional on elk farms, and is the same fencing used by ISDA to fence stock yards where there is Brucellosis—for instance, in Eastern Idaho. It comes in 330' rolls. Rep. Barrett commented that the owner would fix the fence to protect animal assets remaining inside the enclosure. She asked for clarification concerning the rules enforcing Red Deer Genetic

Influence. Mr. Chatburn quoted from IDFG Rules: where Red Deer Genetic Influence has been determined, the animal shall be destroyed.

Rep. Trail asked if ISDA had a fence inspection procedure. Mr. Chatburn said the department inspects each domestic cervidae farm at least annually. That inspection includes an inspection of the perimeter fence. An inspection also occurs when an escape is reported. Rep. Trail asked about the record of inspection at this ranch. Mr. Chatburn said it was a fairly new facility that had been inspected sometime from early to mid summer.

Rep. Shirley asked if providing adequate feed was a requirement on elk ranches. Mr. Chatburn said domestic cervidae are considered livestock. ISDA doesn't have any feed requirement. It is the owner's responsibility to provide supplemental feed if necessary. Rep. Shirley asked if there was recourse if the owner didn't provide supplemental feed when it was necessary. Mr. Chatburn said ISDA forwards animal care cases for many species. They are taken to the county prosecutor. If warranted, the county may seize animals. Animal cruelty laws were amended last session.

Rep. King asked how often the Brucellosis test was required for domestic cervidae. Mr. Chatburn said all animals imported into Idaho must test negative for Brucellosis on two official tests, or come from a Brucellosis certified free herd. They must also test negative for TB or come from a TB negative free herd. Brucellosis samples are also taken at slaughter. Rep. King asked if there were bacteriological or parasite tests. Mr. Chatburn said there are disease control programs for domestic cervidae, as there are for other livestock. Generally speaking, unless a disease is prevalent, testing for it isn't included in annual test procedures.

Sen. Langhorst asked how many escapes had been recorded in the last ten years. Mr. Chatburn said, since the domestic cervidae program came under the aegis of ISDA, 221 animals have been reported to have escaped. This number includes the 63 animals that escaped from the Chief Joseph facility. Sen. Langhorst asked if the Legislative process bill put forward in 2003 declined the opportunity to create a licensing-permitting process, or was that the primary intention. Mr. Chatburn said the legislation had several other provisions, some of which have been enacted. The main trust from ISDA at the time was for a permit, not a license, and to have specific status authority to permit or license a domestic cervidae farm. Sen. Langhorst asked if that legislation created a new classification, and ended the open range law for escaped cervidae. Mr. Chatburn said those were other bills put forward by the cervidae industry. The one referred to earlier, was brought by ISDA.

Senator Kelly asked if ISDA was pursuing action against the owner of the Chief Joseph facility. Mr. Chatburn said the investigation is not yet closed.

Rep. Barrett asked how licensing or permitting would prevent escape; and how much weight was being given to private property rights in the discussion. Mr. Chatburn said he was not an attorney. ISDA and IDFG have followed Governor Risch's executive order to the best of their ability. He said licensing or permitting obviously wouldn't prevent escapes, but would heighten the producers' perception of the need to

comply with regulations.

Rep. Trail asked if any state requires double fencing, since nose-to-nose contact between animals is one concern; and if it would increase security. Mr. Chatburn said he was not aware of that requirement in any other state. Double fencing would locally have built-in redundancy in containment.

Senator Stennett asked if the owner contacted ISDA within the 24-hours required. Mr. Chatburn said the owner never notified ISDA. A neighbor called in the suspected escape. The owner said he was not aware animals were out; but would immediately address the situation. The breach in the fence was patched by the time ISDA and IDFG inspected. Senator Stennett asked what penalty could be expected for a rule violation. Mr. Chatburn said failure to notify the department willfully would be a violation with a maximum civil penalty of \$5,000. There could also be a misdemeanor criminal penalty. Senator Stennett asked if he meant \$5,000 per animal, or per violation. Mr. Chatburn said per violation.

Senator Schroeder asked if wild elk had contact with domestic cervidae on the ranches; and if diseases can be transmitted. Mr. Chatburn said nose-to-nose contact could occur through perimeter fences. Disease could be transmitted—depending on the disease.

Senator Little asked what disease could be transmitted by nose-to-nose contact. Mr. Chatburn said there is some evidence that CWD can be spread through urine and feces, and therefore possibly by nose-to-nose contact. ISDA is charged with animal disease control. It is a concern.

Rep. Saylor asked how common it was for wild elk to get inside a domestic cervidae enclosure. Mr. Chatburn said they can be inside when the enclosure is built and, depending on the topography and location of the facility, sometimes have other access opportunities. ISDA and IDFG work with producers to attempt to move wild elk from enclosures when they are built.

**IDAHO
DEPARTMENT OF
FISH & GAME:**

**Jim Unsworth
Bureau Chief for
Wildlife**

Jim Unsworth, Bureau Chief for Wildlife, Idaho Department of Fish & Game (IDFG), presented “Wildlife, IDFG, and Domestic Elk Farming. (See Exhibit 3)

Mr. Unsworth said there are 125,000 elk and 100,000 elk hunters in Idaho. It is an industry that brings \$67 million dollars in direct expenditures annually to the Idaho economy, and has an economic impact of over \$170 million annually.

There are currently 78 domestic cervidae farms, and over 5,600 animals in enclosures. The biggest issue has been with contact between domestic and wild elk, deer, and moose. Lately there have been more escapes.

The major issues are:

- Disease control, which is a concern of regulatory agencies, managers, and farmers.
- Genetic interchange, and the unknown consequence of hybridization.

- Accidental confinement of wild animals behind fences. This is occurring more often with larger facilities being built.
- Impacts on native cervids as habitat is lost and movement corridors are altered.
- Using sportsmen funds to manage and control escapes from domestic facilities. Over \$50,000 is estimated to have been spent for the Chief Joseph escape. This represents a significant increase from before.
- There is the social question concerning the appropriateness of hunting within enclosures.

The IDFG Commission has developed policies which minimize disease and genetic risks. The Commission doesn't recognize shooting domestic cervidae within enclosures as "hunting." The Commission opposes spending sportsmen's dollars on managing or controlling domestic elk.

QUESTIONS: Rep. Wood asked for clarification about IDFG's spending on domestic cervidae. Mr. Unsworth said money is spent because the department works with ISDA to move animals, control fences, and this fall to implement the Governor's executive order. Rep. Wood asked if IDFG was being arbitrary to say, on the one hand, it's OK to hunt on private property; but, on the other, say it's not a free hunt if the property is enclosed. Mr. Unsworth said The IDFG Commission believes shooting domestic elk behind high fences doesn't fall within the definition of hunting, which is the pursuit of wild animals in free range conditions.

Chairman Gannon asked if the IDFG Commission would consider hunting pheasants raised in captivity and released—or other such game, for instance, steelhead raised and released—to fall within its definition of hunting. Mr. Unsworth said the Commission hasn't made that determination.

Senator Schroeder commented that, listening to the two presentations, there are some things Legislators need to know: 1) the economic value of the elk ranching industry to the state. 2) The Legislature would be remiss to eliminate elk ranching without taking into account consequences other states have experienced by doing so. For instance, Montana has had to pay where courts have ruled there were takings. 2) The scientific impact when Red Deer genes are introduced to produce big antlers.

Senator Coiner said hunters dollars should not be spent. It is better to cede all activity to ISDA. Mr. Unsworth said IDFG has limited involvement now. Fence inspections occur only if wild animals are inside. Senator Coiner asked if there would be an objection to removing that responsibility from IDFG. Mr. Unsworth said there might be a conflict as IDFG still has a mission to protect wild animals in the state.

Rep. Trail asked if the position on the concept of fair chase might be in conflict with the Americans for Disabilities Act. Opportunities to hunt animals in enclosures enhances hunt opportunities for the disabled. Mr. Unsworth said IDFG personnel also work with the disabled, both in and outside fenced enclosures.

Rep. Bedke asked, from IDFG's point of view, what shortcomings there were in current statues and rules. Mr. Unsworth said ISDA feels that additional rules, or language, would help enforcement efforts. Rep. Bedke asked him to direct his answer from IDFG's perspective. Mr. Unsworth said IDFG's issues include disease and genetics. As long as contact between wild and domestic animals is a possibility, there will be some risk. Fair chase is a societal issue, and not for IDFG to decide. It would help to promote IDFG's mission to promote secure fencing, to site domestic facilities to minimize the potential for escape. Rep. Bedke asked if IDFG would bring forward suggestions as to what rules should be addressed. Mr. Unsworth said IDFG would work with ISDA, but didn't know if IDFG would bring legislation this session.

Senator McGee asked how much money was spent trying to eradicate Brucellosis by IDFG, the cattlemen, and their associations. Mr. Chatburn said he didn't know, but it would be in the hundreds of thousands of dollars.

Rep. Durst asked what potential there was for disease being spread as a result of domestic elk contact with wild elk. Mr. Unsworth said if elk can get inside an enclosure, they can also get out. Some possibilities for access include fence breaks, snow drifts, and situations where the terrain has been compromised. Disease could be spread from the outside in, or the inside out. Rep. Durst said he was picturing the situation where elk were contained while the fence was being built, and then were not able to get outside the enclosure. He asked, even if domestic cervidae were tested for diseases, commingling could result in contamination. Mr. Unsworth said yes.

Rep. JoAn Wood (35) said both Mr. Unsworth and Mr. Chatburn have said there was no disease in domestic cervidae. She asked if the disease problem wasn't "a bit of a reach." Mr. Unsworth said it's true there has been no disease problem recently. Mr. Chatburn said although the primary regulated diseases have not been found in domestic cervidae, they do have other diseases and parasites. It can't be said that they are disease-free. Rep. JoAn Wood (35) asked if the concern was that domestic animals are going to infect wild animals, or the reverse. Mr. Unsworth said IDFG has done a good job with regulated diseases, but is concerned about unregulated diseases; for instance, liver flukes are found in domestic herds, but not wild herds.

Senator Little said, regarding parasites, that migratory wild animals are not apt to get infected. The problem occurs inside small fenced areas. It is the same with cattle and sheep. He asked if that was IDFG's concern about parasites, and if it also applied to the liver fluke. Mr. Unsworth said captivity magnifies the parasite problem. Wild animals have dozens of parasites. IDFG's concern has to do with parasites that are not endemic to Idaho. Senator Little asked if there were good tests that aren't being used, or helpful rules that could be promulgated. Mr. Unsworth said he wasn't sure.

Senator Coiner said, ultimately, every domestic cervidae is tested for CWD, TB and Brucellosis. He asked what percentage of elk in Idaho were tested for "regular" diseases. Mr. Unsworth said a very small percentage—probably about 1%.

Chairman Gannon commented that "the hearings have begun." He

said the four committees met in joint session today in order to review the situation as it relates to escaped elk in Idaho. Considerable latitude has been allowed today to ask questions. He asked if anyone had questions relating to the particular situation on the farm where the elk recently escaped.

Rep. JoAn Wood (35) asked if sportsmen's money would have been spent on the incident had the Governor not issued the executive order. Mr. Unsworth said IDFG would have helped ISDA to resolve the problem in any event. The answer is, likely, yes.

It was asked if there was any way to tell how long the fence has been breached prior to notification. Chatburn said, from physical evidence and according to the neighbor, about a week.

Senator Langhorst asked if the cost of the recent escape at the Chief Joseph facility was included in the \$50,000 estimated cost from sportsmen's funds. Mr. Unsworth said it did include it.

It was asked if there was any indication that the neighbor contacted the owner of the domestic cervidae facility before contacting IDFG. Mr. Chatburn said the neighbor called ISDA, not IDFG, because the elk were in her hayfield eating uncut alfalfa. She did not give any indication that she contacted the facility owner.

**CLOSING
REMARKS:**

Chairman Gannon told the Committee that legislation brought forward this session will originally come through the Department of Agriculture. Hearings can be expected to begin toward the beginning for February. He asked any members bringing legislation to be realistic, and to bring it forward early.

Rep. Stevenson thanked the Chairman for including the House Resources & Conservation Committee participation.

Sen. Schroeder said the Committees had worked closely together to coordinate today's Joint Session. He reiterated the importance of bringing forward realistic legislation.

Chairman Gannon thanked the secretaries and pages for their assistance.

ADJOURN:

The meeting adjourned at 10:35 a.m.

Representative John A. Stevenson
Chairman

Mona Spaulding
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 16, 2007

TIME: 1:30 p.m.

PLACE: Gold Room

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** NONE

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:32 p.m. He announced that at the next meeting, Thursday, January 18th, there will be a presentation from the University of Idaho on the proposed livestock center. At that time the minutes from the January 10th meeting will be approved.

Chairman Trail welcomed **Celia Gould**, Director, Idaho State Department of Agriculture, and gave her the floor for introductions of her staff who would give their presentations. The Department of Agriculture presented a PowerPoint presentation and provided a packet of information for each committee member. A copy of both are on file in the office of the Agricultural Affairs Committee Secretary.

Dr. Greg Ledbetter, Administrator, Animal Industries, presented a recap of the brucellosis program in Idaho. During a routine MCI trace back in October, 2005, a Brucellosis infected cattle herd was discovered in Eastern Idaho. As a result, on January 12, 2006, Idaho lost it's Brucellosis Free status. Since then a "Class A" status has required Idaho to perform additional Brucellosis surveillance. Fifteen herds had wild elk mingled with them at feeding lines. ISDA and IDFG visited with the owners of the high risk herds and vaccinated them. ISDA also provided high risk herd owners with elk fencing material for feeding areas and haystacks. The Department of Agriculture is now ready to apply for a review with the USDA. They have completed one year surveillance with no new reactors and have completed testing in Eastern Idaho. The last step is pending; a dealer/buyer station record-keeping rules developed and implemented.

A question was ask how often are herds tested if they are not at high risk. Normally they are not tested because the milk is tested. If elk is observed in the feeding line, they may be tested at anytime.

A question was asked if a regular testing would be better. The cost would not make it practicable.

John Chatburn, Deputy Administrator, Animal Industries Division, presented detail on the escaped elk since he gave an update at the joint meeting, January 12th. More than 63 elk escaped from the Chief Joseph Elk Farm enclosure last August. Out of the 43 animals harvested and tested, 22 were negative for CWD, 29 were negative for Brucellosis, and 29 were negative for Red Deer. Out of the number of elk left on the farm, one tested as a suspect for Red Deer and the owner destroyed it. The land has now been sold and the remaining animals have been sent to another farm as they tested negative on all three tests. A recap of the head count for the Chief Joseph Farm are as follows: 63+ escaped, (retrieved by owner unknown), 76 harvested, 61 inventoried and 20 status unknown.

A question was asked if all the animals that were tested off the farm were domestic. Yes, all 43 were domestic.

A question was asked at what age is an animal eligible to be tested for TB. The age limit for cervidae is 12 months.

A question was asked if testing for Red Deer is done as a routine when testing for TB. It's routine when the animal is imported into the state.

A question was asked regarding the age of the cow that tested positive for Red Deer. The media said she was 15 years old. She had tested negative 10 years ago when she was brought into the state.

A question was asked if there is any legislation directed to this issue that will be brought forth this session. ISDA will not present any, but others may.

Michael Cooper, Deputy Administrator, Plant Industries Division, presented an update on the potato cyst nematode. For over six years and 654 samples later, a sample tested positive. On April 13, 2006, a sample comprised of tare soil from a grading station in Blackfoot was determined to contain potato cyst nematode. Because of this finding, Idaho lost markets to Canada, Korea and Mexico. The United States was suspended from shipping to Japan. Nursery stock was suspended from Idaho to Canada. An incident command system was established in Idaho Falls. During May, 50-60 employees sampled the fields both by hand and an automatic sampler. The positive fields were within a one mile radius in Bingham and Bonneville counties. The USDA is establishing a research and diagnostics center in Idaho Falls by the end of March 2007 that will eliminate sending samples to Maryland. The international markets are slowly resuming. Canada resumed nursery stock and potato shipments October 17, 2006. Japan has not resumed potato shipments. Korea and Mexico had a SAGARPA delegation visit last November. The plan is to eradicate 80% of the potato cyst nematode.

A question was asked if the federal government is establishing a lab in Idaho Falls. Currently, there is a work facility and they are trying to establish a lab.

A question was asked if this will take work away from the quality assurance lab in Twin Falls. There is plenty of work for everyone.

A question was asked if these “bugs” on the roots can harm humans. They are no harm to humans.

A question was asked if fumigation would be an effective method to control them. There would be vary degrees of effectiveness.

A question was asked if personal gardens had been checked. Not specifically.

A question was asked if the soil itself was the concern of Canada or was it the nursery stock. The soil was of concern since Canada is mostly trees.

A question was asked how much did the disinfectant station cost and who pays for it. All costs were paid by the federal government. Since April that has been around \$4 million.

Matt Voile, Section Manager, Noxious Weeds Division, gave an update on eurasian water milfoil. In 2006, there were 147,570 acres of terrestrial and aquatic noxious weeds treated in the state of Idaho. Out of that, 5,043 acres were eurasian water milfoil. The 2006 Legislature appropriated \$4 million for noxious weed control. Fourteen projects were funded totaling \$2.57 million. Of the total dollars allocated, \$2.2 million went to kill eurasian water milfoil and \$83,600 went to prevention and education. Expanded populations and new populations were identified as a result of the Early Detection Rapid Response (EDRR) process. Four new lakes and two new river infestations were confirmed. The program provides continued reconnaissance and treatment of expanded infestations, re-treatment, and aggressive treatment of new infestations. The Midwest and southern states have been fighting eurasian water milfoil for 30 years. A peer review panel was established. Twenty recommendations were created by them. Eradication is a possibility.

A question was asked why the middle of Idaho shows no signs of eurasian water milfoil. The center region has no plants because it is not motor boat accessible. It is colder and has rugged terrain. Also there are no bordering states.

A question was asked if eurasian water milfoil over flows into bordering areas. Washington and Oregon are impressed with Idaho’s aggressiveness.

A question was asked where along the Snake River eurasian water milfoil has been found. It has been found north in Washington County, back to Twin Falls.

Fred Rios, Deputy Administrator, Agricultural Resources Division, presented a brief update on furadan and a complaint that was made. August 2006 the ISDA received notice from the Environmental Protection Agency regarding the possible misuse of furadan. Furadan is not labeled to use on onions. The suspected areas were Canyon, Payette, Owyhee, and Washington counties. Samples were collected and a meeting was held with onion shippers and an agreement was reached that all onions were to be sampled by ISDA and ODA prior to shipping. There were 13 growers who used furadan on onions. There were violations of Idaho Code by both growers and pesticide dealers. Within the next six months,

ISDA anticipates to have all regulatory actions completed. Penalties include a \$3,000 civil penalty per violation and license modifications, suspension, or revocation.

A question was asked how many acres were involved. That number is unknown but there were 13 fields.

A question was asked why both growers and dealers were served notice violations. Two dealers were not licensed. It is illegal to buy furadan.

A question was asked if it is illegal in all states. It is not legal anywhere. It was never registered to use.

Laura Johnson, Marketing Section Manager, reported on Idaho's agriculture markets both local and international. Nearly 20% of Idaho's agriculture production is exported to foreign markets. Fresh potato exports plummeted in 2006 after April due to the potato cyst nematode. Onion prices to Mexico were higher this year than last. Paul's Markets, Wal-marts, and Albertsons are strong supports of *Idaho Preferred*.

Besides retail, *Idaho Preferred* includes activities:

- Sysco Food Show
- Professional Chef Competition
- Culinary Day at ACF Western Regional Conference
- Fresh Produce Initiative in School Cafeterias
- Healthy Fundaisers

Transportation of products is still a problem. ISDA is a part of the Ag Transportation Coalition and the Ag Summit pre-Conference Session on Transportation to be held February 20th. The Idaho State Department of Agriculture is also active in 25X25.

Chuck Pentzer, State CREP Coordinator, reported on the Conservation Reserve Enhancement Program. The primary goal of the program is to sign up 100,000 groundwater irrigated cropland acres for 15 years. This is a voluntary water reduction program. This will reduce up to 200,000 acre-feet annually from current irrigation usage levels. It will also increase groundwater levels in the ESPA and increase the spring water discharge tributary to the Snake River. Over 100,000 acres of native grassland habitat for wildlife will be available. There has been 355 contracts offered across 13 counties. As of December 1st, 87 contracts have been signed representing 15,000 acres.

A question was asked how long does it take from the sign up time to the proposal. Perhaps 2 months or more. Each case is individual.

Kelly Nielsen, Financial Officer, reported briefly on the ISDA budget. The ISDA managers over 60 programs and managers over 30 funds. Of their budget, 23% is general funds, 60% is dedicated funds, and 17% is federal funds. Six million dollars is recommended by the Governor to be spent on noxious weeds in 2008. Eurasian Water Milfoil will get an additional \$4 million. Two new vehicles for CAFO inspectors are also planned.

Director Gould gave closing remarks. This is a thumbnail sketch of where the Idaho State Department of Agriculture stands today.

ADJOURN: The meeting was adjourned at 3:30 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** January 18, 2007
- TIME:** 1:30 p.m.
- PLACE:** Room 416
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:** NONE
- GUESTS:** Please refer to the presenters highlighted below and the attached committee sign-in sheet.
- Chairman Trail called the meeting to order at 1:32 p.m.
- MINUTES:** Representative Bolz moved to accept the minutes of January 10, 2007, and January 16, 2007, as printed. The motion carried by voice vote.
- Chairman Trail assigned mentors to the freshman legislators as follows:
Representative Lake will assist Representative Patrick,
Representative Bolz will assist Representative Durst,
Representative Pence will assist Representative Chavez.
- Self introductions around the gallery followed.
- PRESENTATION:** **Rich Garber**, Director of Industry and Government Relations, College of Agricultural and Life Sciences at the University of Idaho, presented an overview powerpoint on the proposed Idaho Center for Livestock and Environmental Studies. The proposed livestock/research center will be located in the Twin Falls area as the majority of Idaho's livestock is located in the Magic Valley. This is a collaborative project supported by the University of Idaho - College of Agricultural and Life Sciences, Idaho Dairyman's Association, USDA Agricultural Research Service, College of Southern Idaho, and the Idaho National Laboratory. This development will provide a state-of-the art animal research facility capable of large-scale scientific research focusing on animal health, land, water, energy, capital, and labor. It will benefit both Idaho urban and rural communities. Governor Otter supports this proposed center. The dairymen feel if the industry continues to grow and this facility is successful, it potentially could attract another processing plant in Idaho. A very detailed business plan has been written. This plan is available for the Representatives to review.
- A funding proposal will be presented during this legislative session. Other anticipated contributors include:
- University of Idaho - College of Agriculture and Life Sciences
 - Proposed \$10 million

- United Dairymen of Idaho
 - In kind support - stocking the facility with animals
- Allied Industry
- College of Southern Idaho
- USDA Agricultural Research Service
 - Will place scientists at location
- Idaho National Laboratory
 - Contribute energy side of this

A question was asked if the facility consists of University of Idaho instructors, would they commute from Moscow. Some will travel back and forth and some will live in the immediate area.

A question was asked how many professors will be there. Not sure at this time.

A question was asked if tours for school children would be available. Absolutely. It is an education center.

A question was asked regarding the number of cows (1500) sounds like a small dairy. To make the operation cash flow, it needs to be at least 1500. It's an adequate size to have so everything they want to do on a field scale basis. There will be young stock on the premise too.

A question was asked if water rights have been considered. Yes. They will make sure water rights are there before they sign.

A question was asked since the Caine Center has to be moved, could it be located at this location. That has been discussed. The design of the footprint includes 40 acres that would be available for the Caine Center.

A question was asked if the Idaho Wool Growers are a partner. The wool growers have a relationship with the Caine Center, so when it is moved, they will come with it.

A question was asked if they are hearing anything from the Chambers of Commerce in the area. A survey was conducted to see if the area is supportive. The response was a strong support. It will attract both scientists and students.

A question was asked if it will be able to sustain once it is built. As part of the business plan, there are 27 risk management components.

A question was asked if we are assured it will be successful. Because dairy has a cycle pattern, the profits between the dairy and research will balance each other.

A question was asked if there are other facilities similar in the country. There are other research facilities but none of the size of this one. We will learn what we can from them.

A question was asked where will the feed come from. It will be a combination of growing their own and purchasing it locally.

A question was asked if it will include cervidae. Yes, when the Caine

Center is moved.

A question was asked if this will saturate the dairy market. No. It is not large enough to impact markets. It will give data for research.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:37 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS CROPS SUBCOMMITTEE

DATE: January 18, 2007

TIME: Upon Adjournment of the Full Committee

PLACE: Room 416

MEMBERS: Subcommittee Chairman Bolz, Representatives Stevenson, Patrick (traded with Representative Shirley), Durst

**ABSENT/
EXCUSED:** NONE

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Subcommittee Chairman Bolz called the meeting to order at 2:45 p.m.

**DOCKET NO.
48.0101.0601** **Bill Ringert**, Grape Growers and Wine Producers Commission, explained the grape growers and wine producers of Idaho have operated without rules for many years. This would give the agency a temporary rule and proposed rulemaking procedures to be initiated. The Grape Growers and Wine Producers Commission will be able to impose a tax and late fees on the failure to pay taxes in a timely manner. They have approved the taxes. Assessing the taxes and late fees are necessary to fund the commission's role in protecting the public health, preventing fraudulent practices relating to the production and promotion of Idaho grapes and grape by-products.

MOTION: Representative Stevenson made the motion to recommend to the full committee that Docket No. 48.0101.0601 be approved. Representative Patrick seconded the motion. By a voice vote, the motion passed.

**DOCKET NO.
02.0209.0501** **Michael Cooper**, Bureau Chief, Idaho State Department of Agricultural, explained the changes made in the proposed rule are needed to update and clarify the requirements under the current rule and list specific exotic pests of concern to the Idaho Potato Industry for which a zero tolerance will be specified. This rule applies to the inspection of potatoes intended for sale or offered for sale in retail outlets. Three new definitions are included: certification and markings (each shipment will have a valid inspection certificate or PLI number), inspections (authorized persons will do inspections), and restrictions (potatoes will be free from potato tuberworm and potato wart. Any person violating the provisions of the rules, shall be subject to penalty.

A question was asked why bacterial ring rot was taken off the restriction list. It is covered at the grading process. It's a quality issue.

MOTION: Representative Stevenson made the motion to recommend to the full committee that Docket No. 02.0209.0501 be approved. Representative Patrick seconded the motion. By a voice vote, the motion passed.

**DOCKET NO.
02.0631.0601**

Dan Stafford, Program Specialist, Noxious Weeds Management, explained the rule adds a section requiring Department approval of use of logo on packaging and printed materials. It also makes a clerical revision throughout the rule changing the symbol for Idaho Preferred because the name and logo have completed the trademark process and are now registered marks.

A question was asked what the orange and blue twine means when bailing hay. It is weed free hay.

MOTION:

Representative Stevenson made the motion to recommend to the full committee that Docket No. 02.0631.0601 be approved. Representative Durst seconded the motion. By a voice vote, the motion passed.

**DOCKET NO.
02.0606.0501**

Michael Cooper, Bureau Chief, Idaho State Department of Agricultural, explained this rule will continue a temporary rule for one more year. It was adopted last year.

MOTION:

Representative Patrick made the motion to recommend to the full committee that Docket No. 02.0606.0501 be approved. Representative Stevenson seconded the motion. By a voice vote, the motion passed.

**DOCKET NO.
02.0610.0601**

Michael Cooper, Bureau Chief, Idaho State Department of Agricultural, explained this rule governs the potato cyst nematode. This rule will parallel a Federal Order that will be effective concurrently with this rule. Rules must be promulgated to prevent the further introduction and dissemination of potato cyst nematode into other states and areas of Idaho. This rule will stay temporary until the federal interim rule comes out.

A question was asked if a farmer gets compensation for the cost of moving equipment from one non-infected area to another non-infected area but they need to cross an infected area. No, they are not compensated at the present time.

MOTION:

Representative Stevenson made the motion to recommend to the full committee that Docket No. 02.0610.0601 be approved. Representative Durst seconded the motion. By a voice vote, the motion passed.

ADJOURN:

There being no further business to come before the committee, Crops Subcommittee Chairman Bolz adjourned the meeting at 3:43 p.m.

Representative Darrell Bolz
Crops Subcommittee Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS ADMINISTRATIVE SUBCOMMITTEE

DATE: January 18, 2007

TIME: Upon Adjournment of the Full Committee

PLACE: Chairman's Suite Lounge

MEMBERS: Subcommittee Chairman Trail, Representatives Chavez

**ABSENT/
EXCUSED:** NONE

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Subcommittee Chairman Trail call the meeting to order at 2:40 p.m.

**DOCKET NO.
02.0104.0601** **Lea Clark**, Trade Specialist, Idaho Preferred Program, ISDA, explained the proposed change to the rule would reflect throughout itself, the Idaho Preferred logo to be a registered logo as the department has completed the trademark process. Also included in the rule is the need for prior approval to use the Idaho Preferred logo on any flyers, brochures, or packaging. A draft must be made and sent to ISDA not less than five days prior to the proposed date of use. Written approval from the Department must be issued prior to the use of the logo.

A question was asked regarding if five days is a long enough time. This is the first year for this rule and it will be trial and error. It can be modified next year if industry can not meet the five day rule. They may turn the draft in at any time up to five days.

MOTION: Representative Chavez made the motion to recommend to the full committee that Docket No. 02.0104.0301 be approved.

By a voice vote, the motion passed.

**DOCKET NO.
02.0214.0601** **Tom Schafer**, Section Manager, Bureau of Weights and Measures, explained the proposed change in the rule will incorporate by reference the 2006 edition of the National Institute of Standards and Technology Handbook 44; specifications, tolerances, and other technical requirements for weighing and measuring devices.

MOTION: Representative Chavez made the motion to recommend to the full committee that Docket No. 02.0214.0601 be approved.

By a voice vote, the motion passed.

**DOCKET NO.
02.0633.0601** **Margaret Misner**, Program Manager for the Organic Program, gave a brief background on the organic program. It was established in 1993 when some food producers wanted to market their food as organic. One of the changes in the rule is the update of the incorporation by reference section to reflect the changes to 7 CFR part 205 National Organic

Program, effect January 2006. The registration fees will be increased, a late registration fee of \$100.00 and a late producer certification fee of \$250.00 will be established, and the organic gross sales fee graduated scale will have a cap of \$5,000. Also included in the rules are four new definitions: agent, certification, educational activity, and registration. Specific registration requirements, deadlines, and fees have been established.

MOTION: Representative Chavez made the motion to recommend to the full committee that Docket No. 02.0633.0601 be approved.

By a voice vote, the motion passed.

ADJOURN: There being no further business to come before the subcommittee, Chairman Trail adjourned the meeting at 3:14 p.m.

Representative Tom Trail
Administrative Subcommittee Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 22, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Shirley

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:30 p.m. He announced the committee will not meet this Friday, January 26, 2007. The Livestock Subcommittee will meet upon adjournment of the full committee to review livestock rules. The approval of the minutes will take place at the next full committee meeting, January 24, 2007.

RS 16490 **Tom Dayley**, Division Administration Plant Industries, Idaho State Department of Agriculture, explained this legislation would make a technical correction to provide a proper code reference. Title 22, Chapter 10, Idaho Code was repealed. The provisions of that chapter relating to crop management areas were incorporated into Section 22-2017, Idaho Code which is under the Idaho Plant Pest Act of 2002 which was enacted by the 2002 session of the legislature.

MOTION: Representative Lake made a motion to introduce RS16490 to print. All Aye. Motion carried.

RS 16494 **Tom Dayley**, Division Administration Plant Industries, Idaho State Department of Agriculture, explained this legislation would take a portion of the license fees (\$25.00) paid by nurseries and florists and put it into a research account. Both the nursery and floral industries have expressed the need to support educational outreach. This is a dedicated fund program and no additional funds would be collected.

MOTION: Representative Pence made a motion to introduce RS16494 to print. All Aye. Motion carried.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 1:37 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS LIVESTOCK SUBCOMMITTEE

DATE: January 22, 2007

TIME: Upon Adjournment of the Full Committee

PLACE: Room 416

MEMBERS: Subcommittee Chairman Andrus, Representatives Lake, Shirley (traded with Representative Patrick), Pence

**ABSENT/
EXCUSED:** Representative Shirley

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Subcommittee Chairman Andrus called the meeting to order at 1:38 p.m.

DOCKET NO: **46.0101.0601** **Dr. Kliff Bramwell**, Veterinarian, Board of Veterinary Medicine, explained the rule changes. The rule changes revise continuing education requirements, update practice standards, clarify the code of conduct, establish a time frame for the filing of complaints, and includes various housekeeping changes. These rule changes mainly affect veterinarians and their technicians. It will change continuing education to twenty credit hours every two years. Veterinarians may obtain a maximum of fifteen credit hours through approved on-line or correspondence courses. Another change is the deletion of holding checks made out to the National Board Examination Committee. Mandatory veterinary technician continuing education to be a minimum of 14 hours every two years. A time limit for a complaint to be heard by the board will be one year. Verbal and physical abuse will be dropped from the rule. A veterinarian shall document the time of contact or attempted contact in case of a death of an animal. A veterinarian to get written permission for any surgical procedure will be deleted. A veterinarian may refuse service for any reason. Anesthetized animals shall be appropriately monitored as different animals have different recovery times. A veterinarian using electronic record keeping must safeguard them. A consent form must be signed for each surgical and/or anesthesia procedure. Home care instructions shall be provided in writing and be noted in the medical record. The term "statement of charge" shall be replaced with "written estimate on request." Euthanasia technicians employed by agencies, have to go to class. Euthanasia technicians are to be for animal control only and not for employees for veterinarians.

A question was asked why only 20 hours instead of 30 hours for continued education. It is for every 2 years so it is more training. A lot of training happens when fellow veterinarians mingle with each other and network.

A question was asked how many complaints does the Board of Veterinary get a year. In 2006, they got nine cases.

A question was asked why should the verbal and physical abuse of a client be taken out of the rule. If it is physical, it can be taken up with a sheriff. If it is verbal, it is too hard to prove as it is a "he said - she said" situation.

A question was asked if this is taken out, what types of complaints would come in front of the board. It is hard to prosecute unless the verbal abuse is in front of other people.

A question was asked if the abuse clause is taken out, where would the public go if they had a complaint. They would go to a sheriff if it was physical abuse. The verbal abuse is hard to prove and its hard to enforce.

A question was asked is it hard for the veterinarian to prove or hard for the customer to prove. It leaves the Board to be the decision maker.

A question was asked how many people are on the Board. There are 5 veterinarians and one that is not. Only one veterinarian knows the situation and he presents it to the other members.

A question was asked if this part is taken out, would there be no code of conduct for the veterinarian to abide by. Yes.

MOTION: Representative Lake made a motion to recommend to the full committee that Docket No. 46.0101.0601 be approved excluding the deletion of the CODE OF PROFESSIONAL CONDUCT 152.09 Verbal and Physical Abuse Client. Also to delete the repeated section "b." under INCORPORATION BY REFERENCE 005.01. Representative Pence seconded the motion. By a voice vote, the motion passed.

DOCKET NO. 11.0201.0502 **Larry Hayhurst**, Brand Inspector, Idaho State Police, explained the rule change raises the brand inspection fee from \$.84 to \$.94, and the pasture cattle fee from \$.42 to \$.47. The Idaho Brand Board fee increase in FY2005 was insufficient to meet Brand Board costs. The FY2005 projection shows a deficit of \$598,800, with balances reaching just \$700 in FY2006. The Idaho Brand Board approved a \$.10 increase in cattle brand inspection fees and a \$.05 increase in pasture cattle brand inspection fees, effective October 1, 2005.

MOTION: Representative Lake made a motion to recommend to the full committee that Docket No. 11.0201.0502 be approved. Representative Pence seconded the motion. By a voice vote, the motion passed.

DOCKET NO. 02.0403.0601 **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, explained that this rule rescinds the Trichomoniasis sections that are currently found in IDAPA 02.04.03, updates the equine sections, and updates the incorporated by reference sections. The deletion of section 220 in it's entirely is because a separate Trichomoniasis rule Chapter is concurrently be proposed.

MOTION: Representative Pence made a motion to recommend to the full committee that Docket No. 02.0403.0601 be approved. Representative Lake seconded the motion. By a voice vote, the motion passed.

02.0429.0601 Department of Agriculture, explained Trichomoniasis testing season begins on September 1st of each year. This rulemaking updates the Trichomoniasis rule that is currently found in IDAPA 02.04.03 and complies it into a separate Trichomoniasis rule chapter.

MOTION: Representative Pence made a motion to recommend to the full committee that Docket No. 02.0421.0601 be approved. Representative Lake seconded the motion. By a voice vote, the motion passed.

ADJOURN: There being no further business to come before the subcommittee, Subcommittee Chairman Andrus adjourned the meeting at 3:04 p.m.

Representative Ken Andrus
Livestock Sub Committee Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** January 24, 2007
- TIME:** 1:30 p.m.
- PLACE:** Room 416
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:** Representative Patrick
- GUESTS:** Please refer to the presenters highlighted below and the attached committee sign-in sheet.
- Chairman Trail called the meeting to order at 1:30 p.m.
- MINUTES:** Representative Bolz moved to accept the minutes of January 18, 2007, and January 22, 2007 as printed. The motion carried by voice vote.
- Chairman Trail called for the reports from the Subcommittee Chairmen on rules.
- Subcommittee Chairman Trail reported to the full committee that the Administrative Subcommittee sees no opposition in their review of the three administrative dockets.
- MOTION:** Administrative Subcommittee Chairman Trail made a motion to the full committee to accept the Administrative Rules and minutes from the subcommittee meeting January 18, 2007 as printed. The motion carried by voice vote.
- Livestock Subcommittee Chairman Andrus reported to the full committee that the Livestock Subcommittee reviewed seven livestock dockets. They recommend that Docket No. 46.0101.0601 be approved excluding the deletion of the CODE OF PROFESSIONAL CONDUCT, 152.09, Verbal and Physical Abuse Client. Also to delete the repeated section "b." under INCORPORATION BY REFERENCE 005.01.
- MOTION:** Livestock Subcommittee Chairman Andrus made a motion to the full committee to accept the Livestock Rules excluding the above mentioned sections of Docket No. 46.0101.0601 and approve the minutes from the subcommittee meeting January 22, 2007 as printed. The motion carried by voice vote.
- Subcommittee Chairman Bolz reported to the full committee that the Crops Subcommittee sees no opposition in their review of the ten crops dockets.
- MOTION:** Crops Subcommittee Chairman Bolz made a motion to the full committee to accept the Crops Rules and minutes from the subcommittee meeting

January 18, 2007 as printed. The motion carried by voice vote.

RS 16497

Karen Ewing, Management Assistant, Board of Veterinary Medicine, explained RS16497. The first change is to clarify the definition of anesthetized.

A question was asked if the definition appears anywhere else. Yes. It is in the rules which makes it clearer.

The next change is to define an euthanasia technician. Some veterinary hospital employees are being trained to work under indirect supervision with euthanasia. The euthanasia law was originally meant for city and county employees dealing with homeless and sick animals. This will include law enforcement employees.

The next change is the Veterinary Board will be composed of five veterinary members that are residents of the state and have been licensed to practice in Idaho for five years.

A question was asked if this will affect the small bordering towns. No, this is the composition of the Board.

The next change is to put a statute of limitations on complaints. This will be for one year.

The next change is to define when a license expires. All licenses and certifications shall expire annually on July 1st unless renewed in a timely manner. The deletion of what day the renewal form is to be mailed out will be deleted. Also to be deleted is the term "overtreating." There isn't a definition for this term.

A question was asked if she received wide spread input. She directed people who are involved to their website to read the changes.

MOTION:

Representative Shirley made a motion to introduce RS16497 to print. All Aye. Motion carried.

RS 16636

Representative Bolz presented RS16636. This bill enacts the "Idaho Rural Partnership Act" to codify the provisions of the existing Executive Order. The Idaho Rural Partnership joins a variety of public and private resources in innovative collaborations to strengthen communities and improve life in rural Idaho. The partnership shall be managed by a board of directors that will include representatives from the following: local, federal and state agencies, four legislators, the Governor's office, for-profit business organizations, Indian tribe, private entrepreneurs, chambers of commerce, and nonprofit and community based organizations. It is anticipated that salaries for the Executive Director and a minimal support staff will require \$130,000. This money is from a dedicated fund and not the general fund. Donations are routinely received from federal, non-profit, and for-profit private sectors.

A questions was asked if the two senators and two representatives are from the same party. The appointments from the legislature are on the same principal as other various appointments, one majority and one minority party.

A question was asked if specific examples could be given that the partnership has done. Dale Dixon, Executive Director, Idaho Rural Partnership, explained the Idaho Rural Partnership is the organizer and backbone to community reviews. A community review is a program in which external community development professionals, create a forum to express internal leadership viewpoints and citizen feedback, recommend resources, and provide follow-up as needed. Past rural areas benefitting from the program include: Malad, Salmon, St. Maries, Kuna, and Rexburg. They are also involved in leadership training throughout the state. The partnership is open to help Idaho rural communities with challenges by facilitating collaboration, report and comment on policies and programs, and reduce conflicting administrative or regulatory requirements.

MOTION: Representative Lake made a motion to introduce RS16636 to print. All Aye. Motion carried.

RS 16514 **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, explained RS16514. This is an amendment to the public record law. The reason for this amendment is for animal disease management that isn't regulated. Records of test results from tests conducted at the ISDA laboratories would be kept confidential unless the records are used in an enforcement action or the Director determines that it is in the best interest of human, animal, or plant health to release the information.

Michael Cooper, Bureau Chief, Idaho State Department of Agricultural, said this will also include seed laboratory results. Records from one seed company would keep information from getting to another seed company.

A question was asked if this would apply to Sunnyside and the contamination of the water. This bill would have no affect in matters similar to the Sunnyside situation. The Idaho State Department of Agriculture does not do lab tests on environmental samples. The Idaho State Department of Agriculture collects environmental samples and sends those samples to other agencies or private labs for testing and analysis.

A question was asked if the department came upon something that would affect public health, what would happen. If the Idaho State Department of Agriculture came upon a result that would affect public health, they would contact the health department. The response is coordinated between the Department of Health and the Department of Agriculture.

A question was asked if the Idaho State Department of Agriculture has a relationship with public health. Yes.

A comment was made that this bill does not seem clear. What does it say? Laboratory results that are conducted by ISDA are to be confidential unless the records are used in an enforcement action or the Director determines that is it in the best interest of human, animal or plant health to release the information.

MOTION: Representative Shirley made a motion to introduce RS16514 to print. All Aye. Motion carried.

RS 16593 **Margaret Misner**, Program Manager for the Organic Program, explained RS16593. This proposed legislation would amend four definitions within the Organic Food Products Act. The four new definitions are for: handler, livestock, person, and producer. These changes will bring the state law into compliance with the National Organic Program Rules.

A question was asked if this was circulated to the producers. No, but it was circulated to the advisory council.

A question was asked what category cervidae falls into. It falls under wild or domestic game.

A question was asked regarding the definition of producer. Why was the word organic taken out? Organic is defined in the rules. The organic product has to meet a certain criteria, not the producer. These changes are to reflect the National Organic Standards Program.

MOTION: Representative Stevenson made a motion to introduce RS16593 to print. All Aye. Motion carried.

RS 16548 **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, explained RS16548. This proposed legislation would create a new section for animal remedies registration similar to the one in Oregon. Right now the primary source of funding for disease control and T.B. indemnity comes from branding. Brand inspections have been declining but operating expenses have been increasing. This would help the cost by spreading it through other animals besides horses and cattle. There will be a positive fiscal impact to the livestock disease control and T.B. indemnity fund. The amount of the impact will be determined through a negotiated rule making process.

A question was asked if most of the animal remedies used in Idaho, are licensed in Idaho. It is required by the State of Idaho.

A question was asked how much money are they going to raise. They are unsure how much will be collected.

A question was asked who would be charged, the drug company or the manufacturer. The drug company would be charged.

A question was asked why not increase the cost of a brand inspection. It is more even to charge those who use drugs to pay it.

MOTION: Representative Chavez made a motion to introduce RS16548 to print. All Aye. Motion carried.

PRESENTATION: **John Hammel**, Dean, College Of Agricultural and Life Sciences, University of Idaho, presented a short update on the college. The College of Agricultural and Life Science's mission is to support economic growth and enhance the quality of life for the people of Idaho. The graduate student enrollment for the fall 2006 semester showed a large jump between students in the master's programs verses students getting

their PhD. There was a loss of some faculty to the mentor program and to help graduate students. The university has lost staff members as they leave for higher paying positions. About 25% or \$18 million of the 2007 estimated operating budget is dedicated to grants and contracts. The next largest segment of the budget goes toward state research, almost 22% or \$15.9 million.

Dean Hammel gave a brief update on the research facilities around the state. The Salmon center that was donated is a beef and cow calf operation that currently has three operators running it. The new building in Caldwell was just completed and is located at the site of the University of Idaho incubator.

Although the relative roles of various research programs affecting agriculture and related areas have not changed since the submission of the 1999-2004 Plan Of Work, the college is undergoing an internal process to prioritize programs. This process is designed to focus on resources and at the same time allow research efforts to more closely align with the extension and academic programs. The college is in the process of conducting an extensive process to define a limited number of signature programs aligned with their three functions: teaching, research, and extension.

A question was asked from 2000-2001, 40% of the enrollment of students in the PhD program decreased compared to the enrollment of those in the master's program. What drove that? Grant activity came in and also it matters which fields they are pursuing.

A question was asked for the years 2003-2006, the PhD enrollment stayed about the same but the masters grew. Why? This could be because the PhD program is longer in length.

A question was asked regarding 2006 research projects. Is this domestication of huckleberries for private or commercial use? It is for commercial sale.

A request was made for him to elaborate on alternative fuels and the \$2 million grant. Dr. Chuck Peterson who first started biofuel has stepped down. An international company formally jointed forces with plant breeder Jack Brown from the University to develop high-value oilseed crops worldwide for alternative fuel production. The deal will bring \$2 million in research funding during the next five years to Brown, who has developed mustard, canola and rapeseed varieties adapted to the Pacific Northwest. Brown will develop new varieties tailored for world-wide adaptation with high oil yield for all climatic and environmental conditions.

A question was asked that a small crusher is used for biofuel, analysis input and output. What's the next energy? Not sure.

A request was made for him to give his comments on the University of Idaho Livestock Center. The monies will come from three sources: \$10 million from the State, \$10 million from the University of Idaho, and \$5 million from the Dairymen's Association. It is planned so it is a

commercial size and it will be viable and sustainable to run on its own. It will be self funding and will have a reserve. The reserve will help at hard times since dairy has ups and downs. There will be three committees to operate it: teaching, research, and operation. It is a well thought out model. The goal is to not come back for more money. The Caine Center is included in the footprint and infrastructure. It will some day have to be moved out of Caldwell because the city to expanding towards it. It will be phased with a separate funding stream.

A question was asked what would happen if a professor does an experiment but the manager of the dairy disagrees. Do you have that built in the government board? Yes. The structure of the Board of Directors Operations Committee. They would report back. Two committees are over seen by a Board of Directors.

ADJOURN:

Because of a time constraint, Chairman Trail proposed RS 16621 and RS 16725 be heard at the next meeting, January 30th.

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:30 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 30, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:38 p.m. He made several announcements. There will not be a meeting February 2nd. The meeting on February 6th will be a joint meeting with the Environment, Energy, and Technology Committee and the Resources and Conservation Committee in the Gold Room at 1:30 p.m.

Chairman Trail introduced the new page, Melissa Barlow from Jerome.

RS 16763

Pat Kole, Vice President, Legal & Government Affairs, the Idaho Potato Commission, spoke on RS16763. This proposed legislation would increase the current tax cap per hundredweight by five cents per hundredweight. The increase shall not be greater than 2.5¢ the first year. This shall only be due and collectible upon a determination by at least two thirds of the commission members. This money will be used to advertise to a larger media area and also for research. This proposal has been presented to over 200 growers at meetings held throughout Southern Idaho, all major potato processors, and at the annual membership meeting of the Idaho Growers Shippers Association, who have expressed support for this proposal.

A question was asked if the first year can not be raised higher than 2.5¢. Yes, that is correct.

A question was asked if this money is for research and advertising only. Yes, that is correct.

A question was asked if this tax is voluntary. No, it is mandatory.

A question was asked if Idaho funds more of the tax, will the research be done here in Idaho. Washington, Oregon and Idaho have an indemnity fund.

MOTION: Representative Stevenson made a motion to introduce RS16763 to print. All Aye. Motion carried.

Chairman Trail turned the gavel over to Vice Chairman Andrus so he

could introduce the next two RSs.

RS 16621

Chairman Trail explained RS 16621. This is a memorial to encourage the Congressional Delegation and the President of the United States to work towards legalizing industrial hemp. He gave a brief history of hemp as a additional crop for farmers. Thirty countries around the world grow hemp. There is a factory in Spokane. Recently an agreement has been reached with the North Dakota farmers and the State of North Dakota. The farmers may legally plant it under a license. He has spoken to one of the farmers and it is still profitable even with the cost of an expensive license. It is one of the most profitable crops in Canada. The Idaho Farm Bureau supports growing hemp as an Idaho crop.

A question was asked how this plant affects crop rotation. Will the soil retain it's value? Industrial hemp is a high-value, low-input crop that is not genetically modified, requires no pesticides, can be dryland farmed, and uses less fertilizer than wheat and corn.

A question was asked what the cost for registration is. It is pretty steep and is a major constraint.

A question was asked if there is any way it would be used to smoke. The THC level in industrial hemp is very low. One would have to smoke a telephone size joint to have any affect.

A question was asked if someone intermingled pot with hemp in the same field, could it be detected. They can fly over fields with photos and technology can spot it.

A question was asked why do it now instead of waiting for the results from North Dakota's involvement. Fourteen states have passed legislation to set up infrastructure. Idaho could be ready after the results of North Dakota are realized. Idaho should encourage the congressional delegation to take this matter to Washington DC and support another crop for Idaho's farmers.

A question was asked in the past, the Prosecuting Attorney Association opposed it. What about now? They are going to look at it next week.

MOTION:

Representative Lake made a motion to return the RS to the sponsor. He does not want his name attached to it.

By a voice vote, the motion passed.

RS 16725

Chairman Trail explained RS 16725. This legislation prohibits activities relating to organized dogfighting and provides stricter penalties. Within the United States, dog fighting is a felony except in Wyoming and Idaho. Having this crime as a misdemeanor limits the law enforcement officials to cross state lines. In the past it was difficult to have a person testify that they have actually seen an organized dog fight. Recently a lady agreed to tell of her presence at one. But because of her location to the home where such activity was going on, she had to renege. The Prosecuting Attorney Association and the Sheriffs Association support

this legislation.

A question was asked since this is currently a misdemeanor, how many people have been caught. Under the cruelty to animals section, they have been fined.

A comment was made regarding the penalty for a misdemeanor is 6 months in jail and \$5,000 fine. That's the same penalty stated in the proposed legislation. In answer to the comment, prosecutors want to be able to pursue across state lines.

A question was asked if this is changed to a felony from a misdemeanor, would this cut back the number of abusers. Yes.

A question was asked why is this proposed legislation being introduced in the Agricultural Affairs Committee and not the Judiciary, Rules, and Administration Committee. Since it involves dogs, it should be in the Agricultural Affairs Committee.

A question was asked if there are any changes from this proposed legislation from the past ones. Just some minor tweaking was done.

A question was asked if this issue has been in both committees in the past. Yes.

Representative Pence would like to see some hard evidence but supports to have it printed.

A question was asked how this is compared to cock fighting. Cock fighting is not a felony either.

MOTION:

Representative Durst made a motion to introduce RS 16725 to print.

Representative Bolz opposes the motion. The penalty is the same. The second and third offense as a misdemeanor has a stiffer penalty now than the proposed RS.

Representative Lake made a substitute motion to return RS 16725 back to the sponsor for the same reasons Representative Bolz presented.

A roll call vote was called.

Those voting aye: Representative Lake, Representative Bolz, Representative Shirley, Representative Patrick, Representative Andrus, Representative Stevenson

Those voting nay: Representative Durst, Representative Pence, Representative Chavez, Representative Trail

The substitute motion prevails and the RS will be returned to the sponsor.

Vice Chairman Andrus returned the gavel to Chairman Trail.

PRESENTATION: **Phil Bandy**, Deputy Director, Idaho State Department of Agriculture introduced Read Smith. Mr. Smith Co-Chairs the National 25X25 renewable energy initiative. This alliance of national agriculture and forestry leaders is promoting private working lands potential contribution to our nation's energy independence through renewable energy solutions from our farms, ranches, and forests.

Read Smith said the 25X25 vision is to have by the year 2025, American's farms, ranches, and forests provide 25% of the total energy consumed in the U.S. while continuing to produce safe, abundant and affordable food, feed and fiber. Executive Order No. 2006-45 established the Idaho 25X25 Renewable Energy Council. To meet the 2025 goal, five components are suggested: produce transportation fuels, harness wind energy, convert bio-gas emissions, capture solar energy and provide biomass for generating heat and power. In 2004, only 5.74 quads of renewable energy were used. The number of total energy consumed was 99.7 quads. By 2025 the proposed breakdown will be 31.7 quads of renewable energy out of 127 quads of total energy consumed.

A question was asked in terms of bio-gas emissions, have they talked to the University of Idaho's proposed livestock center. They have intervened research centers but he is not sure who all they are working with. There is a lot of coordinating being done with land grant universities.

A question was asked if corn ethanol takes more energy to produce, than what it gives out. The ratio is 1.0 to 1.67 and soy beans is 2.5 to 2.75. Technology is changing many of the process ratios.

A question was asked if it is possible for farms and forests to supply such a demand. Yes, they can produce the need for both food and energy.

By 2025, American's farms, forest, and ranches can annually produce: 86 billion gallons of ethanol, 1.1 billion gallons of biodiesel, 932 billion kwh of electricity, and 15.45 quads of energy from biomass.

Chairman Trail turned the gavel over to Vice-Chairman Andrus at 2:40 p.m. as Chairman Trail had a commitment.

Feedstocks will be used to attain the goal. These components include: biomass, crop residue, oil seed crops, forest products, and corn ethanol. There will have to be a shift in land use for selected crops. The northwest is in a perfect position to be a part of this.

A question was asked that this appears to be a good program, but won't the US still have to use foreign oil. The United States uses 25% of all the oil worldwide. Anything we can do will help. The US will still be dependent.

PRESENTATION: **Laura Johnson**, Section Manager, International Trade and Domestic Market Development, Idaho State Department of Agriculture, introduced the ISDA International Trade members. Idaho has the best representatives of the western states. Some have been with the department since 1990 and have traveled across the state many times.

Eddie Yen, Representative from Taiwan, reported he has been with the Idaho-Asia Trade office since 1990 when it opened. The beef demand declined in 2005 because of the mad cow disease. For 2006, it will show an increase. In 2005 Taiwan was 4th for export market for Idaho products. The market is very friendly for Idaho and US products. Examples of Idaho products that are popular in Taiwan are: pork, beef, cherries, peaches, wheat, and tortillas. They are always looking for new ways to expand business. New gambling casinos in Macau have opened. We held a two day sample show of Idaho products. Macau is also testing Idaho wines to use in the casinos. The success overseas is from the strong support from the Idaho State Department of Agriculture.

A question was asked how are the tortillas used in Taiwan. They are used as wraps, pizza crust and dessert rollups.

Amando Orellana, Representative from Mexico, reported he has been with the Idaho-Mexico Trade Office since 1994. Last year was a very good year for grain. Millers in Mexico pay higher prices for Idaho grain because of the quality and reliability. The demand for processed foods is growing in Mexico. There is also a big demand for powdered milk to be sent to Mexico. Idaho doesn't have a milk powder processor yet. Another area Mexico appreciates from Idaho are the college interns. Next year Mexico will lower all barriers, the final implementation of NAFTA. Mexico is the second largest agricultural importer from Idaho.

A question was asked if the trade barrier is being lowered for sugar. When there is a shortage, all doors are open.

A question was asked if the barrier will go away for the bean industry and seed. They are in the process to convince Mexico farmers to use them.

Dr. Guoli Cao, Representative from China, reported he began working for the State of Idaho in 1999 as a part time position. In 2006, the Shanghai office was expanded to a full time position. In 2006 China's economy grew. Exports of Idaho goods to China increased 66% between 2004 and 2005. Agriculture is a competitive market in China as they are self sufficient. Idaho imports are at the high end of the market. The Meridian Hotel hosted a day where Simplot Foods served Idaho products. China is requesting a lot of seeds. Sweet corn seed is one of the popular requests.

General Woo-Joo Chang, Representative from Korea, has been a part time trade manager in South Korea since 1988. He recently received two proclamations; one from the governor and one from the senate. Sales to this Asian nation have hit \$164 million in 2005. Figures through the third quarter of 2006 show exports nearing \$202 million, an 88% increase over the same time period in 2005. Electronic and computer equipment, food and agricultural products, wood and building materials, and hides and leather goods, comprise Idaho's major exports to Korea.

Many Koreans come to the United States for their education in the Universities. Over 86,000 Korean students have attended US schools and go back to Korea to live.

Akemi Harima, Representative from Japan, has worked for the newly reopened Idaho-Japan Trade Office for six months. She has 15 years experience in marketing and trading. In 1990 Japan was the largest export market of the United States. In 2006 Japan imported \$10 billion of agricultural products. Because of the large population in Japan and the small acreage available for farming, Japan imports a lot of their food. There has been an increase demand for health food in Japan.

Prem Behl, Representative from India, commended the Director of Commerce and Trade for setting up a representative office in India. There is no longer negative press in the United States about India. The United States is their largest trade partner. Idaho is a small piece of that. He is not familiar with the numbers of trade with Idaho. India is at the top 10% of the world for some agricultural products. They do both, import and export goods. About one fifth to one third of the farmers' produce in India is destroyed. There is currently a large investment into the retail sector. Walmart is one of those. Two thirds of India's population is rural. Only one third of the population produces food. There is an 8% growth in India's economy.

ADJOURN:

There being no further business to come before the committee, Vice Chairman Andrus adjourned the meeting at 3:46 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES
JOINT MEETING
HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE
AGRICULTURE
RESOURCES & CONSERVATION

DATE: February 6, 2007

TIME: 1:30 p.m.

PLACE: Gold Room

MEMBERS: Chairman Raybould, Vice Chairman Harwood, Representatives Edmunson, Snodgrass, Eskridge, Anderson, Mathews, Crane, Labrador, Vander Woude, Smith(30), LeFavour, Jaquet, Shively, Kren

**ABSENT/
EXCUSED:** Crane

GUESTS: Tom Jacob, Government Affairs Manager, Western Region, DuPont Company; Paul Kowallis, Senior Chemical Engineering Specialist, Monsanto Company; Becky Johnstone, ICIE President, Knipe Land Company; Pat Barclay, ICIE Executive Director, John Barclay, ICIE Consultant

Chairman Raybould called the meeting to order and requested the secretary take silent roll. Chairman Raybould introduced **Becky Johnstone, ICIE President**. Ms. Johnstone, welcomed those attending the workshop and explained the mission of the ICIE and introduced **Mr. Tom Jacob, Government Affairs Manager, Western Region, DuPont Company** to present DuPont's Biotechnology and Biofuels program and **Mr. Paul Kowallis, P.E. Senior chemical Engineering Specialist, Monsanto Company** to present Growing Benefits and Innovations for the future.

Mr. Tom Jacob began indicating he has not visited Idaho areas often and was happy to have the opportunity to present the ongoing transformation at DuPont to Idaho's House of Representative committee members. Mr. Jacob stated that today's company is different than the old days. The list of endeavors they are involved in has many topics. Some of the science based solutions include Agriculture and Nutrition, Bio-based materials, including Biofuels, Electronics and Communication Technologies, Coatings and Color Technologies, Performance Materials, Safety and Protection.

Dupont is focused on innovation and has 34,000 patents shifting the company's focus to Chemistry and Biology to increase knowledge of intensive solutions. Dupont's core values include Safety, Ethics, Respect for the Environment and Sustainability...all things which involve our lifetimes and future generations. Additionally, one DuPont goal also includes Globally Responsible Corporate Citizenship. DuPont began by publishing a "Corporate Environmental Report" in 1992. The report presented goals of measurement and accountability. Among the 2015

goals are Greenhouse Gas Emissions Reduction, Fleet Fuel Efficiency, Environmentally Smart Market Opportunities from R&D, Products that Reduce Greenhouse Gas Emissions and Double Revenue from Non-Depletable Resources. Projected opportunities ahead are Ag Biotech which will deliver greater productivity and enhance the value of agricultural products. Bio-Based materials are next on the list which will produce renewable, sustainable products and processes and include next generation biomaterials. Also Biofuel opportunities are projected to expand agricultural markets for farmers and fuel options for consumers, including the next generation biofuels, biobutanol and cellulosic ethanol.

Mr. Jacob continued describing DuPont's plans in agricultural biotechnology, rapid global adoption of biotech crops, bio-based products combining agricultural and industrial biotechnology, bio-PDO opportunities. He informed the committee members about sustainable processes and metabolic engineering. He discussed in detail biofuels and DuPont's development milestones such as cellulosic feedstocks for ethanol and biobutanol development, biodiesel, and improvements that are being made.

Mr. Jacob finalized his presentation describing the business challenge DuPont projects globally in a market place increasingly dependent upon getting more from less. The company plans to position their business to be part of the solution by gaining insight and experience to help their industries and customers prosper in the market place. More information can be found on their web site at www.dupont.com.

Mr. Paul Kowallis, addressed the audience regarding Monsanto Company and the growing benefits and innovations for the future. He indicated that Monsanto's goal is care of customers with all problems taken into account, explaining how science is continuously improving the quantity and quality of food production. Mr. Kowallis cited examples of food production beginning as far back as 10000 BC with fermentation & leavening (yeast) to contemporary times with human, plant and animal genome. Man has been learning how to manipulate and read genetics of plant and animals for generations. Monsanto is building on centuries of science, biotechnology as a collection of tools used to improve and enhance plants, animals and microorganisms for the benefit of society. Other examples were displayed showing the change from Teosinte to modern corn. A Wilaman professor at Penn State University stated "modern maize was the outcome of a bold act of conscious biological manipulation, arguable man's first, and perhaps his greatest feat of genetic engineering." **Mr. Kowallis** continued stating new technology creates positive economic impact with increasing speed. Dr. James Watson, Nobel Laureate, USA was quoted as stating "Recombinant DNA is the safest technology I've ever heard." Monsanto researches Genomics and Bio technology in many fields for the benefit of farming seeds which are drought tolerance and provide improvement of yield in water deficit areas. The economic benefit resulting from this research affects all walks of life. The research also affects nitrogen efficiency. It benefits output per unit. It creates improved crop performance and enhanced nitrogen uptake.

Monsanto has an extensive corn hybrid testing program. The processor benefit creates sustainable fuels from renewable resources. Monsanto's

bio-ethanol corn initiatives produce over 90 seed corn brands carrying Processor Preferred for dry mill ethanol plants. Processor Preferred hybrids deliver 2 - 4% more ethanol per bushel. Analytical methods are used to determine ethanol yield. The highest ethanol producing hybrids are designated and sold as Processor Preferred.

Questions from committee members followed regarding Idaho's light sandy soil and depletion of soil by not incorporating crop residue back. Questions regarding Europe boycotting bio tech seeds were addressed. France and the U.K. have are now using bio tech products in limited amounts. Regarding a comment about incurring costs on grain products Mr. Kowallis described Monsanto as a company and business which relies on its customers. The value added to farmers has to play out in a market which the seeds can produce more than it costs to grow them. It is an ' economic dance'. The investment is done on the premise that if we deliver and the yield is significant, the value is there to recoup the investment. The market place comparison to partnership with U.K petroleum market evaluation was discussed. Crop production in Idaho and keeping up with the challenges and competition of the market was a concern. Energy gain from bio fuel in Idaho in comparison to other sources of energy, as in wind and solar was discussed.

Chairman Raybould called for any questions from the audience.

Becky Johnstone thanked the Chairman and the committee members as well as the speakers. She also thanked the sponsors of the program.

Monsanto Company, JR Simplot, ERP Resources, Barclay Media & Public Affairs, Idaho Canola/Rapeseed Commission, Clear Springs Foods, Idaho Farm Bureau Federation, Potlatch Corp, Port of Lewiston, Intermountain Forest Association, Idaho Eastern Oregon Seed Association, CH2M-WG Idaho, LLC, Becky Johnstone, Knipe Land Company.

ADJOURN: There being no further business to come before the committee the meeting was adjourned at 3:10 p.m.

Representative Dell Raybould
Chairman

Peggy Heady
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 8, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:35 p.m.

H 78 **Frank Muir**, President/CEO, Idaho Potato Commission, explained the proposed legislation. Idaho potatoes have recently received free publicity. USA Today had a full page advertisement valued at \$300,000. The ESPN Magazine also had a full page advertisement. This proposed legislation would increase the potato tax cap by 5¢ per hundredweight. The increase would not be greater than 2.5¢ the first year. The monies would be used for advertising and research. It is important to keep the public aware of Idaho potatoes. The funding cap has not been increased since 2000. This proposal is supported by the potato commissioners, growers, shippers, and processors.

A question was asked to explain the split on the increase. It will be 60% for advertising and 40% will go to research.

MOTION: Representative Shirley made a motion that House Bill 78 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed.
Representative Shirley will be the floor sponsor.

H 60 **Dr. Bob Beede**, Veterinarian, President of the Board of Veterinary Medicine, explained the proposed legislation. This legislation would revise the definition of a certified euthanasia technician to include law enforcement agency employees. There are some veterinary hospital employees being trained to work under indirect supervision with euthanasia. The law was originally meant for city and county employees dealing with homeless and sick animals. The legislation also defines the time line a veterinarian must reinstate his license. It will also include a statute of limitations to one year for a complaint to be filed. The removal of the phrase "over treating" will be deleted because it is difficult to define and is vague. Also included in this proposed legislation is the clarification that the Veterinary Board members will be residents of the State of Idaho and have been licensed to practice in Idaho for five years.

A question was asked if there is a problem with out of state veterinaries

wanting to be on the Board. No. They just wanted to tighten things up.

A question was asked if an euthanasia technician works under the supervision of a veterinarian, can they euthanize an animal. Legally the veterinarian is to do it.

MOTION: Representative Pence made a motion that House Bill 60 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Pence will be the floor sponsor.

HB 58 **Michael Cooper**, Bureau Chief, Idaho State Department of Agricultural, explained the proposed legislation. This bill will amend four definitions within the Organic Food Products Act: handler, livestock, person, and producer. These changes will bring the state law into compliance with the National Organic Program Rules. The word cervidae is eliminated because they do not fall under the definition of organic.

MOTION: Representative Patrick made a motion that House Bill 58 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed.
Representative Trail will be the floor sponsor.

RS 16958C1 **Representative Bolz** explained the proposed legislation. This bill will change the name of the Canola and Rapeseed Research and Development Act to the Idaho Oilseed Research and Development Act as this new name will cover a large array of oilseed crops. The bill will include the definition of "oilseed" to be Brassica sp. oilseeds, produced for use as oil, meal, planting seed, condiment, or other industrial or chemurgic uses, and includes mustard. The term oilseed will replace canola or rapeseed throughout the bill. The Director of the Department of Agriculture shall be an ex officio member of the commission without voting privileges. Commission members appointed by the governor shall hold office for a term of three years.

MOTION: Representative Durst made a motion to introduce RS 16958C1 to print with corrections. All Aye. Motion carried.

RS 16966 **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, explained the proposed legislation. This RS replaces an earlier piece of legislation that created some controversy. After discussion, it was suggested to rewrite the RS and put in specific language. There was confusion relating to agriculture tests and environmental tests. The Department of Agriculture collects the samples for the Department of Environment, but that's their only involvement in environmental tests. The new section states that results of laboratory tests conducted by the Idaho State Department of Agriculture animal and health and seed laboratories on samples submitted by veterinarians, animal owners, seed producers, or seed companies. Nothing in this subsection shall limit the use which can be made, or availability of such information if used in an enforcement action, its admissibility in any enforcement proceeding, or its release if determined by the director of the ISDA to be in the best interest of human, animal or plant health.

A question was asked what type of tests will this apply. It will apply for

bacteriology, parasite, and variety of regulated and nonregulated diseases. In the seed lab, it is purity of germination.

A question was asked regarding regulated and nonregulated diseases. Would that include cervidae? Most of the tests are field tests. Brucellosis is in the lab. Chronic waste disease is done at the Caine Center. If any of these came positive, the Department of Agriculture would issue a hold order and release it to the public.

A question was regarding nonregulated disease. The Department of Agriculture tests for bovine diarrhea. Another example of a nonregulated disease is West Nile Virus.

Concerned was expressed that the director makes the decision and not a panel. In the language of the bill, if a violation and test results are positive for a regulated test, its automatically released. This provides confidentiality. This is not for environmental tests.

A question was asked if it is a nonregulated test. There are many diseases in animals. Samples are taken and sent to the state lab or university labs. The Department of Agriculture feels if they do them and a bad disease pops up, the Department will have a head start to quarantine.

A question was asked in other states does the director make the decision. Most western states have the director make the decision.

A question was asked if Mr. Chatburn knew of the language used in other states. He did not.

A question was asked if there are any other instances with the wording. The language was copied from the Food Quality Institute.

A request was made to give an example of the process. A sick cow would be tested. Samples would be sent to the Department of Agriculture lab. Those results would go back to the veterinarian if it is a regulated disease.

A question was asked if this does not change present practice unless a nematode is released. Yes. Trichomoniasis is an example of a disease that the information would be released because infected livestock could mingle with others.

Confidentiality for a producer is viable. Every time a test is taken, they don't want the result out. Is there a time limit that the information would be released? An example would be if a test was done on a dog's blood and the sample went to the Department of Agriculture's lab and they would send the result to a veterinarian. If the dog tested something contagious, it would be made public.

MOTION:

Representative Lake made a motion to introduce RS16966 to print. Representative Durst made a substitute motion to send RS16966 back to the sponsor.

A question was asked if this will encourage veterinarians to send their

tests out of state. On the animal side right now, it is happening.

A question was asked if the seed side is doing the same. Yes, they see more and more samples going out of state.

Representative Patrick feels this will destroy the Quality Food Assurance lab in Twin Falls.

Representative Pence said the language is restrictive.

Representative Durst said the test result is required by law if the test is positive.

Chairman Trail called for the question. Representative Durst called for a roll call vote.

Those voting nay on the substitute motion: Chairman Trail, Vice Chair Andrus, Representative Lake, Representative Stevenson, Representative Bolz, Representative Shirley, Representative Patrick

Those voting aye on the substitute motion: Representative Pence, Representative Chavez, Representative Durst

Those voting aye on the original motion: Chairman Trail, Vice Chair Andrus, Representative Lake, Representative Stevenson, Representative Bolz, Representative Shirley, Representative Patrick

Those voting nay on the motion: Representative Pence, Representative Chavez, Representative Durst

RS16966 will go to print.

MOTION:

Representative Lake made a motion that House Bill 59 be held in committee. By a voice vote, the motion passed.

PRESENTATION:

Chairman Trail presented a brief update on his trip to Washington DC. The participants consisted of all the chairmen of the state agriculture committees for the Senate and the House plus the congressional delegation. In the past, the focus on U.S. farming was on food and fiber. The new farm bill will now be focused on food, fiber, and fuel. Ethanol production with corn as the base material is transforming the rural economy of midland America. The downside of producing ethanol from corn is that the price has soared to over \$4.00 a bushel. There is major agreement that one of the long term solutions is production of ethanol from biomass or cellulose products. Another source for energy is wind power.

Over 64% of the funding for the Farm Bill goes to nutrition programs. Farm subsidies represent about 22% of the budget. Six percent of farmers do not receive any subsidies. There will be a cap placed on subsidies. Rural development will receive a slight increase in funding from their 2%. This will be used for building up rural infrastructure, rural business incentives, and broadband expansion. The United States has increase exporting farm products from \$57 billion in 2002 to \$77 billion in 2006. Idaho alone exports about \$4 billion in

agricultural products. Our farm production increases about 20% per year and our consumption increases only about 10% per year.

More discussions across the state will continue about the Farm Bill 2007. Anyone with agricultural interests are urge to attend.

MINUTES: Representative Bolz moved to accept the minutes of January 24 2007, and January 30, 2007, as printed. The motion carried by voice vote.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:45 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 12, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:32 p.m.

John Chatburn, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, announced after discussion over the weekend, the Department of Agriculture has decided to hold House Bill 57 in committee. A new RS will be introduced at a later date in the House State Affairs Committee.

H 57 **Representative Bolz** made a motion that House Bill 57 be held in committee. By a voice vote, the motion passed.

H 56 **Representative Bolz** introduced H 56. The Idaho Rural Partnership Act currently exists under an Executive Order. This legislation would recognize it as an entity of the State of Idaho as provided in the tort claims act and shall be entitled to all the protection as provided in the tort claims act. The budget for the Idaho Rural Partnership is included in the Department of Commerce's budget. The rest of their budget comes from donations from private industry, corporate funds, and some federal money. There would be no increase in the general budget.

A question was asked if there will be any new money needed to budget this program. No. The \$130,000 budgeted for salaries is in the Department of Commerce's budget.

A question was asked if the Idaho Rural Partnership will continue to be under the Department of Commerce. Yes.

Dennis Tanikuni, Idaho Farm Bureau Federation, spoke in favor of the bill. Through the collaboration of federal and state agencies, tribes, city and county governments, and the private sector, the Idaho Rural Partnership presents countless opportunities to implement efficiencies and leverage resources in support of rural Idaho.

Dale Dixon, Executive Director, Idaho Rural Partnership, spoke in favor of the bill. Dixon said the success of IRP is from their Board of Directors composed of state, federal, local, county government agencies, private sector, and businesses. Their mission is to join diverse public and private resources in innovative collaborations to strengthen communities and improve life in rural

Idaho.

A question was asked if having Dale Dixon as the Chair of the Partnership for Rural America takes him away from Idaho. No. He started in that position March 2006 and it has not affected his duties with the Idaho Rural Partnership.

Hannah Stouts, Mayor, Stanley, spoke in favor of the bill. The Idaho Rural Partnership opened doors for Stanley when she did not know where to turn. Dale Dixon was able to get a task force assembled and present recommendations for the community within a couple of months.

Representative Pence said the Stanley issue shows the mobility and speed Idaho Rural Partnership can get things done.

MOTION: **Representative Durst** made a motion that House Bill 56 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Bolz will be the floor sponsor.

Chairman Trail introduced to the committee the new page, Neil Hoops from Tetonia.

H 43 **Michael Cooper**, Bureau Chief, Idaho State Department of Agricultural, explained the proposed legislation. This bill is a housekeeping bill. Title 22, Chapter 10, Idaho code was repealed during the 2002 legislative session. The provisions of that chapter relating to crop management areas were incorporated into Section 22-2017, Idaho Code which is under the Idaho Plant Pest Act of 2002 which was enacted by the 2002 session of the legislature.

MOTION: **Representative Lake** made a motion that House Bill 43 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Patrick will be the floor sponsor.

H 44 **Michael Cooper**, Bureau Chief, Idaho State Department of Agricultural, explained the proposed legislation. A portion of the license fee paid by nurseries and florists goes into research. This bill would allow a portion of the money to also go into education outreach.

MOTION: **Representative Shirley** made a motion that House Bill 44 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Shirley will be the floor sponsor.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 1:55 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** February 14, 2007
- TIME:** 1:30 p.m.
- PLACE:** Room 416
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:** NONE
- GUESTS:** Please refer to the presenters highlighted below and the attached committee sign-in sheet.
- Chairman Trail called the meeting to order at 1:34 p.m.
- MINUTES:** Representative Bolz moved to accept the minutes of February 8, 2007, and February 12, 2007, as printed. The motion carried by voice vote.
- Chairman Trail made several committee announcements. The Committee will not meet this Friday, February 18, 2007. The next meeting will be Tuesday, February 20, 2007, with the Transportation and Defense Committee in their meeting room, 412. The elusive House Bill 148 will be heard in this committee February 28, 2007, in the Gold Room.
- H 156** **Representative Bolz** explained the proposed legislation. This legislation would basically change the name of the Canola and Rapeseed Research and Development Act to the Idaho Oilseed Research and Development Act. Everywhere within Chapter 47, title 22, Idaho Code that refers to "canola and rapeseed" will be changed to "oilseed." This is being done to include all oilseeds and not to limit to only canola and rapeseed. The proposed legislation will also change the number of districts from two to one.
- A question was asked why the section, "*within the geographic area served by the pacific northwest rapeseed/canola association, inc.*" is to be deleted. It no longer exists.
- MOTION:** Representative Patrick made a motion that House Bill 156 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Bolz will be the floor sponsor.
- PRESENTATION:** **Gretchen Hyde**, Executive Director, Idaho Rangeland Resource Commission, gave a brief overview of the commission's budget and activities for the past year. Their funding comes from fees of 2¢ per acre and 10¢ per animal unit. This money is used largely for education of the public. There is a lack of understanding for many people who use the rangelands. The Care/Share Campaign has been focused on developing tools and materials to outreach to the recreating public to

understand more about livestock and the management methods it employs. Three new kiosks have been made for the foothills north of Boise. The Idaho Department of Lands has put up information on the back side of Tamarack for bikers and hikers. The Sawtooth National Recreation Center is also a recipient of educational information for the public.

A question was asked how well are the programs in the schools doing. They are doing very well. They are similar to Ag in the Classroom. Noxious weed section is included. Over 30,000 Idaho History books have been distributed.

The University of Idaho works closely with the Idaho Rangeland Resources Commission and has helped to make them successful. Rangeland is the smallest department on the campus. The Wildlife Society has approached them to work together.

A question was asked what the level of balance is between recreation people and the cattlemen around the Lucky Peak area. It is a challenge. Education opportunities is the best solution.

A question was asked if discussion is happening to both the grazing ranchers and recreationalist. Definitely. Communication is the answer.

A question was asked how many teachers participate in the workshops. It is a one week long class for 3 credits. It was held in McCall. There is a limit of 25. The noxious weed workshop holds 50. Sometimes grants are used so teachers don't have to pay out of their pocket.

A question was asked if another workshop could be added. There are only 1 ½ people in the office and the part time person will be leaving on maternity leave soon.

A question was asked if the constant deficient of the budget is by design. Yes. They try and stay under budget every year. They are a frugal commission. The goal is to carry over some money every year.

Stan Boyd, Idaho Wool Growers Association, presented a brief update on the elk issue since he also is involved in that. There are nine different bills relating to elk and they will all start in the Senate. There were four bills at a three hour hearing held Tuesday. That committee will convene Thursday for discussion only. The license provision seems to be an important factor.

The Idaho Sheep Commission is the oldest commission in Idaho. It started in 1928. It is under the auspices of the Division of Animal Industries, Idaho Department of Agriculture. The State Veterinarian (Dr. Ledbetter) acts as the veterinarian-in-charge. The current assessment on wool is 8¢ per pound. These monies collected go towards: the Idaho Wool Growers Bulletin, Idaho Wool Growers convention, Wool & Lamb Quality Improve program, Industry Public Awareness program, and the administration of programs.

Some interesting facts of the industry are:

- Contributes \$100 million to the economy

- Idaho produces one half of the lamb market
- 98% of the lamb is consumed in the U.S.
- The bulk of Idaho wool is exported

Sheep producers are finding it difficult to find good help. They usually hire under a 3 year contract. Sheep herders are usually from Peru. The wolf has become a threat to the industry.

A comment was made for Boyd to elaborate on the wolf issue. There has been over 300 head of sheep lost to wolves. The industry is looking forward to the delisting of the predator.

A question was asked if the sheep industry is declining. The industry has leveled off the last 4-5 years. Costs are going up. Prices were pretty good. Live lamb is about \$1.00 a pound. Some growers are diversifying and are including cattle on their farms.

A question was asked if the last four years lamb prices are really good because they weren't pressed by the foreign imports. Yes.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:30 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES
JOINT MEETING
HOUSE TRANSPORTATION AND DEFENSE COMMITTEE
HOUSE AGRICULTURE AFFAIRS COMMITTEE

DATE: February 20, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti Agricultural Committee members present Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Moyle, Bedke, Roberts

GUESTS: **Peter Friedmann**, Agriculture Transportation Coalition (AgTC), **Terry Whitesides**, Alliance for Rail Competition, **Evan Hayes**, National Barley Growers Association

CALL TO ORDER Chair Wood called the meeting to order at 1:37 p.m. Chair Wood welcomed members of the Agriculture Committee and the presenters.
Peter Friedmann (AgTC) was in Boise to participate in the Agriculture Summit and Workshops at the request of members of the Idaho agricultural community.

Mr. Friedmann stated US agriculture faces a dire threat, losing domestic and global market share, profit margin and international sales. Simply put, US agriculture can compete with anyone in producing and processing, but domestic transportation barriers are increasingly hindering ag efforts to sell competitively in the global marketplace. He then referred to the "National Agriculture Transportation White Paper" and mentioned the four biggest issues: rail, truck, barge and ocean.

Attachment #1

Rail Service - While the four Class I national railroads are actually hauling more cargo than ever before, the volume growth is in the containerized consumer goods imported from Asia ("intermodal" cargo). These Asian imports are typically offloaded at West Coast ports, and railed straight through, non-stop, to Chicago, St. Louis, or all the way across to the East Coast metropolitan areas. This import intermodal is the foundation for the railroads' (and ocean carriers') business model, which de-emphasizes service for exports, particularly agriculture. The railroads (and ocean carriers) prefer to get the containers back to Asia by moving non-stop to West Coast ports, carrying whatever exports can be loaded at the railroad's own major hubs, or if necessary, empty. They are now by-passing the inland load points (where agriculture is produced) and suspending service on routes on which agriculture depends, while dramatically increasing rates for the agriculture shipments they do accept. States like Idaho are becoming what they call "bridge states".

The result is the growing inability of US agriculture producers to gain timely and affordable access to our seaports in order to ship to international customers. Whether it is potato or onion growers in Idaho, french fry producers in Washington State and Oregon, cotton in Texas, wheat in West Texas, specialty grain producers in North Dakota and Minnesota, or dairy producers in Wisconsin, rail service suspensions are forcing producers to find already scarce trucks to haul, at significant expense, their products to the diminishing number of loading points still serviced by the railroads. Even then, the railroads often do not provide the number or type of railcars (such as food grade) required. This situation reduces already thin profit margins, and all too frequently creates delays and increases the transport costs to a level which forces foreign purchasers to look to other countries such as Argentina, Australia, and Brazil for their agriculture purchases.

Despite numerous petitions by ag shippers, the Surface Transportation Board whose function is to oversee the railroads and to protect the interests of the shipping public, has not asserted itself. Senators from farm states have urged the President to appoint STB leadership which will work to improve rail service for ag. They and other Senators have sponsored legislation to revise STB regulatory authority and to enhance rail competition, particularly for "captive" rail shippers (which are "captive" to one rail line).

Trucking - Rail service deterioration and price increases have exacerbated the existing shortage of trucks and truck drivers. By forcing cargo off rail and onto trucks, wear and tear on the roads and bridges is increased, vehicle emissions increase, and transport costs increase. There is a shortage of long haul drivers, which pushes up trucking rates as well. Truck driver Hours of Service rules are continuously reviewed and revised, each time impacting the capacity of trucking companies to carry agriculture and other cargoes. Canada allows trucks which add a third axle to carry more volume and heavier loads than are typically allowed on US highways, but in a manner which increases safety (while reducing wear and tear on the highways). In contrast, legislation to accomplish this has languished in Congress for five years.

Inland Waterways Infrastructure-The most efficient form of transportation, particularly for bulk cargoes, is on barges moving through our inland waterway system. Providing the lowest cost per ton/mile, barge transport also offers the lowest emissions per mile. Efficiency is lowered when locks and dams on the inland waterway system fail to maintain navigable depth. The deteriorating infrastructure of rail and truck modes needed for unloaded cargo from barges. The Corps of Engineers is under significant budgetary pressures, but funding of waterway navigation infrastructure is essential to maintaining agriculture transportation efficiency.

Ocean Carriage -Ocean carriers continue to jointly discuss and agree upon freight rates, permitted by their exemption from antitrust laws. European Union has recently prohibited such joint price setting by eliminating ocean carrier anti-trust immunity. The result is improved service and reduced costs for European importers and exporters. While similar competition would benefit US agriculture exporters, proposals to amend the Ocean Shipping Act to eliminate ocean carriers antitrust immunity are fiercely opposed by the ocean carriers (all of which are

foreign owned), and have not been enacted.

Consolidation in the ocean carrier industry is resulting in a few large companies controlling a significant proportion of available capacity. Ocean transport service and cost have not improved, and in some trade routes important to US ag exporters, only one carrier is left. A shortage of refrigerated containers is an ongoing challenge for exporters of produce, beef, citrus, etc. At times, this shortage has resulted in US ag exporters being unable to obtain refer containers on a timely basis, resulting in the inability to meet customer delivery commitments and thus to lose foreign sales.

Port Congestion - Our major seaports, particularly in Southern California, are incurring transit delays, due to lack of port access infrastructure, and the capacity to handle the latest generation of mega-ships. The modernization of port container handling has lagged behind expectations. US ports lag other major ports in terms of container handling efficiency.

Mr. Friedmann stated the agriculture community of Idaho “get it” and have been proactive in getting some of these issues raised and addressed. JR Simplot Company and Northwest Foods Processors Association were among the original members of the Agriculture Transportation Coalition that was formed 19 years ago.

Questions/Discussion: **Rep King** asked what percent of products do we sell overseas currently and how much would they increase if we have a better rail service? **Mr. Friedmann** said he did not have the break down specific to Idaho but could get that information to her. The issue is that some major companies can source the same products closer to the ports than out of Idaho.

Rep King asked what the weight limit on trucks are in Idaho? **Mr. Friedman** said that nationally on the interstate it's 80,000 pounds. In comparison, Canada's model allows 97,000 pounds when you take away the extra weight for the chassis that increase is about 15,000 extra pounds which is a about a 25 -30% increase in truck capacity without adding any more trucks to the road or endangering people and the roads. When adding a 3rd axle the wear and tear on the road is reduced. Railroads are opposed to increasing the weight limit on the roads.

Rep Trail mentioned the problem the trucking industry has faced when there has been a natural disaster and drivers are diverted to those areas affected by these disasters. This then becomes a major impediment for using cross country shippers. **Mr. Friedmann** said this is one reason to increase truck capacities without increasing truck traffic.

Rep Chavez asked what can be done to promote Lewiston as a port? **Mr. Friedmann** said the barge system down the Columbia River is so valuable and is keeping Idaho in the ball game. One problem is the port of Portland lost some vessel service. It has gotten some of that service back but it doesn't have direct service to Japan. Portland needs to continue to work to get this direct service. The barge system helps promote competition with the railroads.

Rep Patrick mentioned in the Twin Falls area shipping barley is cheaper to haul from Montana to Colorado than Twin Falls to Colorado. **Mr. Friedmann** stated this is probably from no competition and the railroads reluctance in taking short haul loads.

Chair Wood then turned the time over to **Terry Whiteside**, Alliance for Rail Competition for his transportation presentation. **Attachment #2**

Chair Wood asked Mr. Whiteside to inform the committee on the federal freeze on vehicle size and weight. Mr. Whiteside, yeild to **Evan Hayes**, National Barley Growers Association. In the early 1980's congress frozen the interstate highway system to 80,000 pounds. Similar to the situation we have today in the economy. Senator Steve Symns introduced and passed the Symns amendment that allowed trucks to grandfather in the weights that were legal prior to the freeze. Hence, the hodge-podge of weights we have across the US.

Mr. Whiteside stated Idaho is most closely aligned with Montana, North Dakota and Utah in rail end use and lack of rail-to-rail competition. How much rail competition do we really have? Since 1980, drastic industry consolidation has occurred. Class I carriers have dropped from 42 to 5. Four mega-carriers generate 94% of gross ton miles and 93% of revenues. The four mega-carriers are BNSF, NS, UP, CSX.

Agriculture is unique in the transportation environment. The farm producer bears the freight, but the grain elevator or merchandiser pays the freight. This is unlike every other industry, the farm producer cannot pass the freight charges on to anyone else. Idaho's economy relies on movement of bulk good by rail. Agriculture, lumber and mining all require movement to points outside of Idaho and the U.S. to create value for Idahoans. Idaho needs access to safe, reliable and reasonably priced rail transportation to remain competitive where their products are marketed.

Lack of railroad competition is a fact of life in Idaho. Idaho is third in nation with 80% of railroad system controlled by Class I railroad.

In 1980 Congress passed Staggers Rail Act to allow railroads more pricing freedoms. Staggers Rail Act sought balance between railroad earnings and protecting captivity of shippers. Now, in 2007, railroads have become financially healthy. They have gone from a capacity surplus to a capacity shortage. With each successive rail merger - larger and larger numbers of shippers have become captive to a single railroad. Today whole states, whole regions and entire industries have become captive to a single railroad. This was not the balance Congress had in mind. Rail shippers are frustrated with the current regulatory environment by the Surface Transportation Board (STB). Efforts need to be made to change the laws nationally. States need to create more transportation competition.

Rep Trail asked what would happen if Congress would increase and standardize the weight limits on the highways? **Mr. Whitesides** said it would give us more competition.

Chair Wood asked about the destination of these trucks? **Mr. Whitesides** made the point that shippers can't just focus on one of the industries to make things work. The goal is to make all of them more efficient.

Rep Hagedorn questioned whether monopoly is the right term when we are referring to these different modes of transportation. The understanding that grain growers have the capability to move the grain by rail, truck or barge although it might be more expensive than what their profit margin can handle. **Mr. Whiteside**, stated we can not afford to move all the grain by truck. There is just too much of it. There are many products that have to move on rail and we need a reliable, safe and efficient and reasonably priced system.

Rep Durst asked what is considered in the cost? **Mr. Whitesides** said you have both a fixed and variable component in an asset such as a locomotive. That is why the regulators go to 130%-140% of variable that covers that fixed sub-cost component which gets you to full cost.

Six future strategies Idaho may want to consider: 1) Explore and develop all rail or truck competitive options, 2) Support all efforts at local, state, and federal level to increase choices in rail transportation' 3) Support establishment of core rail branch lines, 4) Develop lines of communication with all major transportation providers that serve Idaho, 5) Develop methodologies to lower transportation input costs in Idaho, 6) Litigate and participate on development of transportation issues.

ADJOURN: There being no further business the meeting was adjourned at 2:37 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** February 20, 2007
- TIME:** 1:30 p.m.
- PLACE:** Room 416
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:** None
- GUESTS:** Please refer to the presenters highlighted below and the attached committee sign-in sheet.
- Following the joint meeting with the House Transportation and Defense Committee, Chairman Trail called this meeting to order at 2:45 p.m.
- MINUTES:** Representative Bolz moved to accept the minutes of February 14, 2007, as printed. The motion carried by voice vote.
- Because of the joint meeting with the House Transportation and Defense Committee regarding rail and transportation issues, **Brent Olmstead**, Milk Producers of Idaho, spoke briefly. Several times “dairy” was used as examples during the presentation by Peter Friedmann, Agricultural Transportation Coalition. Mr. Olmstead wanted to clarify the Idaho Milk Producers utilize both rail and trucks to deliver their products and have a healthy relationship with both means of transportation.
- H 205** **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, explained the proposed legislation. This bill would increase revenue in the livestock disease control and T.B. indemnity fund by imposing registration fees on animal remedies. The last time this fund was increased was 1995 when the brand inspection increased from 18¢ to 22¢. Receipts to the livestock disease control and T.B. indemnity fund have been declining because brand inspections, which are the primary source of funding, have been declining. At the same time operating expenses have been increasing.
- A question was asked how much discussion was done with the industry. Both dairy groups, the Farm Bureau, the Animal Supplement Council, Idaho Wool Growers, Idaho Cattle Association, and Idaho Cattle Association’s Allied Industries, and the Idaho Veterinary Medical Association were contacted.
- A question was asked if this would apply to a health food store if they carried animal remedies. Stores like Zamzows and Petco manufacturers would be subject to this.
- A question was asked if that should be included in the bill. The language in line 18 and 19 covers those ingredients.

A question was asked if the new chapter requires more man hours on the payroll. This is similar to Oregon's. It is way less than 10% of what they collect.

Mike Webster, Past President, Idaho Cattle Association, spoke in favor of the bill. Animal issues have increased over the years. The Idaho Cattle Association have worked with the Idaho State Department of Agriculture creating this legislation. Twenty two cents from the brand inspection will go towards this fund. The number of brand inspections are going down but the number of responsibilities of the department is going up.

This comment was directed to John Chatburn. The language should include health food stores. His reply was that this applies to manufacturers and not the users or retailers.

A question was asked if this fee will phase out the branding inspection fee. No, it does not. This will move two and a half employees to dedicated funds from federal grants.

Will Ledbetter, Senior at Jerome High School, (has been shadowing Brent Olmstead, Milk Producers of Idaho, for his senior project) spoke in favor of the bill. The amount of the various grants and programs that the Department of Agriculture utilize for disease control are diminishing each year. The prevalence of disease continues in the industry. This bill will allow for a more stable funding mechanism to allow them to continue the work that is so important to the industry.

MOTION:

Representative Stevenson made a motion that House Bill 205 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Stevenson will be the floor sponsor.

Chairman Trail turned the floor over to **Charlie Clark**, Union Pacific Railroad, to speak briefly about the joint meeting with the House Transportation and Defense Committee regarding rail and transportation issues. In response to a comment regarding re-regulating the railroad, Mr. Clark said the railroad is at capacity because there is no competition in this area. There is no competition because there isn't a large population with a demand. Until there's an investment opportunity locally, there will be only one railroad. The trucking industry is able to "cherry pick" their business. After disasters, the truckers are able to move supplies at an accelerated time leaving perishables and time sensitive goods for the railroad to transport. The railroad does not oppose bigger weight trucking bills.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:15 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 22, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Lake, Representative Chavez

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:37 p.m.

Chairman Trail gave an update on House Bill 148. Speaker Denney and Director Gould are working on the language. There is a possibility the bill will be split in half; one will pertain to animal and the other to seed. It will go through the Ways and Means Committee and then it will come to the Agricultural Affairs Committee. We may meet on them Wednesday, February 28th or Friday, March 2nd.

MINUTES: Representative Bolz moved to accept the minutes of February 20, 2007, as printed. The motion carried by voice vote.

PRESENTATION: **Harold Johnson**, Vice Chair and Secretary, Idaho Aquaculture Commission, presented the commission's annual report. He said their office is located in Boise but the production is located in Magic Valley. The IAC records are maintained on a cash basis. Assessments and donations for the fiscal year ended June 30, 2006, totaled \$5,496.27. Expenses for the year ended June 30, 2006, totaled \$175.58. The Commission currently has 25 producers voluntarily participating in the Assessment process. Assessments were remitted by three processors or by direct self assessment for live sales by four independent growers. The legislature gives the commission no funding. Commission funds are deposited with the State of Idaho Department of Agriculture in an interest bearing account. The Idaho Department of Agriculture pays the commission expenses as authorized.

After 2001 the markets were devastated. They are much better now. Normally the months of November and December are slow, but not anymore. Every fish that is raised has a home. When they raise more than they contract, they will sell them to other processors.

A question was asked how many opportunity grants are available. Mr. Johnson wasn't sure. They work with the Department of Agriculture.

A question was asked if they export their products. No, not a lot.

A question was asked if they raise snails. There are a few raised but

they are for aquariums and not for food consumption.

A question was asked if any other states compete with them. Idaho supplies 60%-70% of the rainbow trout. No other states have the resources. The competition comes from South America. Water is the biggest factor for the industry.

A question was asked if the water could be reused. It could be used for fish first, then dairy and livestock, but it gets complicated with water right issues.

PRESENTATION: **Frank Muir**, President/CEO, Idaho Potato Commission, presented the commission's annual report. The proposed budget for the Idaho Potato Commission is \$10,999,668. This includes \$1,569,668 in reserve. Last year the commission had to tap into the reserve by \$131,000. The proposed House Bill 78 will increase the tax cap per hundredweight by 5¢. This will put about \$1 million back into the reserve account. There is 328,000 acres of potatoes. Of that crop, 80% are useable. They are successful in moving the crop.

A question was asked if the deficiency of revenues was from marketing. Yes. The commission has a very aggressive marketing team. They are sponsoring a high school team in Iowa. That team has not won a football game. Every week, the commission ships five pounds of potatoes for each player for the entire season. This is reflective to the Boise State University winning football team. The commission is trying to get this story on the Oprah Winfrey show to get national coverage on promoting the Idaho potato.

PRESENTATION: **Kyle Hawley**, Director, Idaho Association of Soil Conservation Districts, spoke on the soil conservation districts across Idaho. The soil conservation districts are lead by non paid elected supervisors and are sensitive to local, state, and federal issues.

The North Idaho AFO Implementation Project's goal is to install best management practices on cattle operations to decrease sediment, bacteria, organics, and nutrient loading to streams. This project was started in 2001. DEQ provided the funding. They received 70 requests for technical assistance and have 34 active implementation projects going on. The average cost per project is about \$16,800.

Another project Mr. Hawley highlighted is the Lakeshore Assessment System. This is a voluntary educational and implementation program to assist shoreline property owners in making well informed decisions to help improve and protect Pend Oreille Lake.

A question was asked what progress has the task force made working with the eurasian water milfoil issue. There is a diverse of opinions on how that should be handled. Pesticides were used last year.

Eric Bastain, Franklin SWCD Vice-Chairman and IASCD Division V Chairman, spoke on the Irrigation Energy Savers Program. This program is in partnership with the Rocky Mountain Power Company. Last fall they met with farmers and educated them to better use water on their land. This consisted of inspecting their equipment and upgrading it. After completing 53 energy and water management consultations, a

savings of 169,600 kWh and 416 acre-feet of water was realized. This is the first year of the project. Rocky Mountain Power will continue the project for 2007 and probably 2008.

Lynn McKee, Vice Chairman, Ada Soil and Water Conservation District, gave a brief update on this district. Ada County experiences different situations and must adjust its program. Ada and Canyon counties consists of homes and asphalt making it more challenging. As a result from outreach meetings, 37 project opportunities were identified and five were selected as priorities:

- Treasure Valley Storm Water Pilot Project
- Hubbard Reservoir
- Hyatt Wetland
- Julia Creek
- Green Street Demonstration

A question was asked if they have contacted any non-profits to help with resource conservation. We have begun to do that along with private foundations.

Steve Miller, Vice-Chairman, Camas SCD and IASCD, spoke briefly on the three areas of concern for IASCD. The three areas are: availability of technical assistance, small acreage and urban development, and funding. The districts are flexible in a variety of issues. All the districts are growing. They would like to see a development planner who can tie the entities together. Every dollar of state money turns over to \$8.44 for resource conservation. Volunteers are very important to IASCD. There are 280 supervisors in the state at @20.00 an hour, which makes \$269,000 of free volunteer time.

A question was asked if the commission has tried to get baby boomers as employees. Mr. Miller didn't know of very many. There is one in Latah County and another in Ada County. A lot of retired people don't retire at an area that they need the help.

Jerry Nicolescu, Administrator, Idaho Soil Conservation Commission, summarized the key programs: Soil Conservation Districts support and assistance, Conservation Reserve Enhancement Program, TMDL Watershed Planning and Implementation, Water Quality Program for Agriculture, Resource Conservation and Rangeland Development Program, Conservation Improvement Grant Program, Upper Salmon Basin Program, Clearwater Focus Watershed Project, carbon sequestration, and the Idaho One Plan. What is coming down the road? Ranchets, air quality, carbon sequestration, and CAFOs and AFOs. The commission needs: technical assistance, continued flexibility, and provide accountability.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:15 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 26, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Durst, Representative Stevenson

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 2:45 p.m. Chairman Trail announced the next meeting, February 28, 2007, will be held in the Gold Room. The two bills regarding confidentiality of agricultural records will be heard. They went through the Tax and Revenue Committee this morning.

MINUTES: Representative Bolz moved to accept the minutes of March 6, 2007, as printed. The motion carried by voice vote.

PRESENTATION: **Michael Becerra**, Manager, Idaho Food Quality Assurance Laboratory, gave an update on the Idaho Food Quality Assurance Laboratory in Twin Falls. The lab assisted in two state crises last year. The lab had to be retro-fitted for the potato nematode analysis. It was discovered in Southern Idaho. Over 31,000 samples were ran since July 17, 2006. The other crises was in an onion crop. The FDA and the lab coordinated 844 samples for Furadan on onions. They did this under six weeks and allowed the sale of the crop.

The lab started the year with six employees and peaked at thirty during the busy time. They currently employ fourteen. Four interns graduated from the Laboratory Assistant program funded by the College of Southern Idaho. This brings their graduating total to 34.

The actual budget for FY2006 was \$318,088. The projected FY2007 budget is \$317,900. Any money allocated to the lab for an LC/MS/MS will go to maintain and improve lab capabilities. There continues to be no findings or recommendations given after their annual audit.

A question was asked what the different colors of the potato nematode mean. They could probably be the different life stages of the nematode.

A question was asked what happens to the contaminated soil with the nematode. The lab is very careful with the contaminated soil. After the potatoes are removed from the pickup, the bed is washed with bleach. After each field has been tested, everything is cleaned with bleach. The waste water goes to the sewer and the dirt does to the landfill.

PRESENTATION: **Laird Noh**, Sheep Producer, spoke briefly in support of the Idaho Ranch, Farm and Forest Protection Act. This proposed legislation would help keep Idaho's working lands working. The landowner would agree not to develop land in exchange for a state income tax credit. He could sell the tax credits or use them against his own personal state income tax. Mr. Noh introduced other supporters of the act in the gallery: Jim Little, Wally Butler, Bass Hargrove, and Suzie Schaefer.

Suzie Schaefer, Legislative Advisor, said this proposed piece of legislation won't be pursued this year, but they would like to get it printed this session. This presentation is mainly to educate the committee.

A small steering committee representing farmers, ranchers, timber companies, conservationists and sportsmen came together in 2005 to discuss changing rural landscapes. This committee has proposed a tax credit that would protect work ranches, farms, and forests.

The Ranch, Farm, and Forest Protection Act has the following five objectives:

- Provide state income tax credit up to \$500,000 to willing landowners who make qualifying conservation easement donation
- Allow recipients to sell tax credits to willing buyers
- Focus the credit on working lands that provide important benefits for fish and wildlife
- Create oversight to ensure effective use of the tax credit and safeguard against abuses
- provide a sufficient incentive while minimizing the impact on the state budget

This is a voluntary agreement for the landowner. To qualify, these voluntary donations would have to further state wildlife objectives or include important fish and wildlife habitat. The property will stay in private ownership and will stay productive. This does not affect the county tax revenue. It will stay the same. The owner of the land will be taxed on 80% of the value of the land. This is not a new concept. It is being used in other states. There will be a proposed \$3 million cap. These tax credits would serve as an incentive for owners of farms, ranches or woodlands to keep their lands in production and free from development.

A question was asked to explain the difference between this and putting the land into a family trust. In a trust there is no revenue and it doesn't prevent the trustee from selling the land.

A question was asked who would facilitate this. It is under the concept, you make it and they will come.

A question was asked if attorneys would get involved. It needs to be a group who is more tied with it.

A question was asked how the number "15 years" was derived for tax credits. Other federal programs have that number in place.

A question was asked if there would be a sunset law and be revisited in

15 years. They have not included that provision. They will look at it every year so there will be flexibility.

A question was asked how this differs from the other conservation easement. It simply adds to it.

A question was asked what the \$3 million cap means. When \$3 million is met within the state, the program is stopped. No more tax credit would be given out. The total amount of the tax credit will be authorized by an advisory committee.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:40 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 28, 2007

TIME: 1:30 p.m.

PLACE: Gold Room

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 2:09 p.m.

MINUTES: Representative Bolz moved to accept the minutes of February 26, 2007, as printed. The motion carried by voice vote.

H 243 **Michael Cooper**, Bureau Chief, Idaho State Department of Agriculture, explained H 243. This proposed legislation has been written to clarify that this bill applies only to seed tests. The added section states, "Results of laboratory tests conducted by the Idaho State Department of Agriculture seed laboratory on samples submitted by seed producers or seed companies. Nothing in this subsection shall limit the use which can be made, or availability of such information pursuant to the provisions of subsections (9) and (10) of section 22-418, Idaho Code." This laboratory does not do plant disease testing. The seed laboratory looks at seed samples only. A seed company and others that submit samples expect their sample information to be confidential. Failure to maintain a policy that supports this confidentiality would mean that the seed companies could not afford to submit service samples to the state for testing and could eventually spell the demise of the laboratory, regulatory functions and all.

A question was asked if there was a disease test, would it be opened for public record. If the plant methodology laboratory does a test, its opened for public - especially if its positive. It is even published annually on their website.

John Iverson, President, Idaho Eastern Oregon Seed Association, spoke in favor of the bill. His company grows propriety crops and wouldn't use the Idaho State Department of Agriculture laboratories if they were to disclose all seed test results to the public.

MOTION: Representative Patrick made a motion that House Bill 243 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Patrick will be the floor sponsor.

H 244 **John Chatburn**, Deputy Administrator of Animal Industries, Idaho State

Department of Agriculture, explained H 244. This legislation will add an amendment to an existing statute. Results of animal laboratory tests conducted by the ISDA animal laboratories will be kept confidential unless they indicate the presence of a state or federally reportable or regulated disease in an animal, the test results is required by state or federal law, or the test result is identified as representing a threat to animal or human health. The bill does not apply to:

- Test results that indicate Zoonotic diseases such as West Nile Virus
 - Test results that indicate a regulated or reportable disease
 - Any test results from samples collected by ISDA or USDA staff
 - Test results on samples submitted by other agencies
 - Test results of environmental samples collected by ISDA staff
- These samples are sent to a variety of outside laboratories including:
- University of Idaho Laboratories
 - Idaho Department of Health Laboratory
 - Out of state University Laboratories
 - Commercial Laboratories

The primary reason for this legislation is over the last two years, animal owners have informed the Department of Agriculture their concern that the test results have not been kept confidential. Veterinarians and animal owners that pay for diagnostic testing, believe their test results are part of the veterinarian/client relationship. Some owners have chosen to use outside the state laboratories that have confidentiality. These states are Wyoming, Colorado, and Washington.

Money that is generated from these laboratories account for 60% of dedicated funds that support animal laboratories. The other 40% come from dedicated funds. These funds are critical for maintaining quality microbiologists that are skilled in the current test procedures necessary to provide proficient regulatory and diagnostic capabilities for Idaho's livestock industry and other animal owners. Many veterinarians and animal owners have said they would not participate in voluntary disease control programs unless their test results are confidential.

Another factor to keep the testing in Idaho is the amount of time it takes to get results when an out of state laboratory is used. Time could be an important issue in disease control.

A clarification was asked why animal testing is done outside of the state. A number of people not using the ISDA laboratory and sending them out of state is because the other states have confidentiality records laws. The Department of Agriculture feels its important that they test as many as possible and work as a barometer on animals' health in the state.

A question was asked if a reported disease can be a regulated disease. If a regulated disease is found in Idaho, it would be reported.

A question was asked if a domestic elk had diarrhea (which is not regulated) and it jumped the fence and got in with the cows. What would happen?

It is better to use cattle as your example. That would be bovine diarrhea and it is not reportable. That type of disease, if this bill is passed, would

not be released.

In answer to the question that this bovine diarrhea would be transferred from neighbor cow to neighbor cow and would it be reported. Mr. Chatburn could not comment on what an individual rancher would do.

Lloyd Knight, Idaho Cattle Association, and Idaho Food Producers, spoke in support of the bill. It is important that Idaho veterinarians are comfortable with the ISDA laboratories. The test results need to be back quickly. If it were to take 2-3 weeks for results on a regulated disease, it could be bad. There needs to be a quick turn around time. It is important to have the state lab located in the state. The state needs to know how many instances are occurring. If your samples are out of state, you're standing in line.

A question was asked if the time lag would be a business risk. There is a balance of risk.

A question was asked if the veterinarian community (since he is a veterinarian's son) is in favor of this legislation. He could not speak for them. But their code of conduct/client relationship is very important, especially food/animal veterinarians.

Representative Pence commented she spoke with both veterinarians in her district. The first veterinarian didn't care about this legislation but the other one did.

Bob Naerebout, Lobbyist, Idaho Dairymen Association, spoke in support of the bill. For today, he also represented the Idaho Milk Producers for Brent Olmstead. The Idaho Milk Producers are neutral on this legislation. This is not a large issue to the dairy. The ISDA laboratory is in competition with three labs because of time and cost and confidentiality. It is a business decision.

Sharon Hasse, ICARE, spoke in opposition of the bill. She asked many questions she felt ISDA has not answered. What are they trying to hide? The state laboratory is not ran for profit. The postal service, UPS, and Fed EX can deliver results the following day from out of state laboratories. The neighboring states' disease list is very long. The ISDA website's list is only 50 long. The government already requires brucellosis to be reported ASAP. Where are the records proving that there are results flowing across the state line? House bill 244 is better than the other previous two bills, but there was a lack of communication to the public regarding the change in the bills. Ms. Hasse urged the committee to hold this bill in committee.

A question was asked how many members comprise ICARE. There is nearly 50 members plus they work with other organizations.

A question was asked what other organizations. Various human rights and anyone interested in ISDA issues.

A question was asked who does regulation of zoonotic regulation. USDA and CDC does research.

A question was asked how many livestock does she own. Ms. Hasse owns 6 ropers. Its not a qualification of the ICARE membership.

Claudia Haynes, ICARE, Nampa, spoke in opposition of the bill. She still has concerns of the bill. Being a livestock owner, she keeps her animals clean. She even takes pictures of her stock to show potential buyers. Her records are always open to the public. Ms. Haynes urged the committee to hold this bill in committee.

A question was asked regarding the email that was distributed to the committee members and the indication that scarlet fever came from dirty cows. Does she believe this? Ms. Haynes would have to have her veterinarian answer that. She would want everyone to have open records to see the cow's health history.

A question was asked if she had asked her veterinarian about this legislation. No, he recently deceased.

Wally Butler, Lobbyist, Idaho Farm Bureau, and also representing himself, spoke in support of the bill. He supports this bill as a food producer. The Idaho State Department of Agriculture has the ability to do the testing in a timely manner and get results back to the livestock owner sooner than out of state laboratories.

A question was asked if he has a lot to do with animals and how does the Farm Bureau and the membership feel about this bill. The Farm Bureau has full support. The turn around time is a very important issue.

Representative Durst stated two concerns. First, limiting public records in this way could lead to further restriction. The "slippery slope" argument. The second concern is diseases or bacteria not included in the reportable or regulated lists could still harm animals.

MOTION: **Representative Durst** made a motion that House Bill 244 be held in committee.

SUBSTITUTE MOTION: **Representative Shirley** made a substitute motion that House Bill 244 be sent to the floor with a do pass recommendation. He has been involved with limited research which depends on confidentiality which keeps it valid. Much benefit comes from keeping it from being released. If there's a health hazard, it will be released. Making everything open may make a risk to the producer and laboratory worker. Its worthy of having it.

Representative Patrick said these are not public records. They are requested by and charged to the producer. If there is a risk, it will be reported.

Representative Durst commented that research records are done in a way that they are not disclosed.

Representative Stevenson said every veterinarian should use the laboratories at the Department of Agriculture so if there is a hazard, it will be reported in a timely manner.

Representative Lake said information needs to be published on fact. The laboratory is there to help the producer and help his stock. If there is a hazard, it will be reported.

Representative Bolz said those who were in opposition of this legislation were the newspapers but they have now come to a consensus. We all have parts of our lives to be private. Certain issues regarding business or private need to be private.

Chairman Trail said he wanted to commend Director Gould for working with the Idaho Press Association to resolve their concerns about open records and privacy issues. He has received communication from the Idaho Conservation League indicating that the rewrite of House Bill 244 was much improved.

Chairman Trail called for the question of the substitute motion to have House Bill 244 be sent to the floor with a do pass recommendation. The motion carried by a voice vote. Representative Pence, Representative Durst, and Representative Chavez wished to be recorded as voting, no.

Chairman Trail will be the floor sponsor.

Chairman Trail informed the committee there will not be a meeting Friday, March 2nd. The next committee meeting will be Tuesday, March 6th.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:20 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 6, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Durst, Representative Shirley

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 1:46 p.m. Chairman Trail reported Senate Bill 1074 (Elk Bill) is being held at the Speaker's desk. There is no more legislation to be presented before the committee. The remaining committee meetings will consist of commission reports.

MINUTES: Representative Bolz moved to accept the minutes of February 28, 2007, as printed. The motion carried by voice vote.

PRESENTATION: **Ron Bitner**, Acting Director, Idaho Grape Growers and Wine Producers Commission, presented their annual report. A survey was done in 2002 showing Idaho had 14 wineries and 900 acres of grapes. In 2007, there are 32 wineries and over 2,000 acres of grapes. The Commission's office has moved from Nampa to downtown Caldwell. They are in the process of hiring a new director. Eighty seven applications have been received and their intent is to hire one by the end of the month.

The Commission has applied for appellation eighteen months ago. Appellation is actually for marketing purposes. It defines a geographic location relating to where the grapes are grown. The Snake River Valley will be the first one in Idaho. This area is from the Twin Falls area to the Weiser area along the Snake River. The area is about the size of New Jersey. Before this can be put on the label, 85% of the grapes used in the bottle of wine, must be grown in the specific area. Tourism has become an important factor to Idaho wineries. In the Caldwell area, a planned community development (Polo Cove) is in the works which includes acreage for homes and vineyards. Ten acres have been dedicated to growing hazel nuts. Idaho has two USDA scientists in Parma. One researches the growing of grapes and the other researches the health factor of wine drinking.

A question was asked where the commission gets their money. The commission gets 10¢ on every gallon of wine. They have a budget of \$150,000 with \$70,000 of that going towards research and advertising. The wine industry contributes to the economic development. The impact to Canyon County is \$20 million and \$44 million for the state.

A question was asked if they have a website. Yes, idahowines.org.

A question was asked if they have considered elder berries for making wine. No, but they are looking at blueberries and huckleberries.

A question was asked if there is much competition in the wine industry. St. Chapelle is owned by the largest company in the world. It along with one other winery in Idaho produce 5,000 bottles or more. The rest of the wineries are considerably smaller.

A question was asked if Eastern Idaho could grow grapes for wine. The elevation is wrong for grape growing. The growing season doesn't start until May 15th. They are looking into a different variety that could exist in the cooler climate.

PRESENTATION: **Dr. Jon Van Gerpen**, Professor, University of Idaho, presented a powerpoint on biodiesel using oil seed crops. There are two biofuels available in today's market: ethanol and biodiesel. Ethanol comes from corn and displaces gasoline in cars. Biodiesel comes from canola (oilseed) and displaces diesel fuel in trucks, agricultural equipment, and construction equipment. Biogas is another fuel but it converts manure to a replacement for natural gas which can be used for electricity production or heating.

Biodiesel is produced by a chemical reaction between methanol and an oil or fat. The oil source may be canola, soybeans, mustard, or animal fats such as lard and tallow. Even recycled frying oils from restaurants can be used. Biodiesel does require a catalyst such as caustic soda.

Idaho uses 400 million gallons of distillate fuel a year. This includes diesel and heating oil. We are ranked 44th in the United States. Idaho also uses 620 million gallons of gasoline, ranking 41st in the United States. Biodiesel is not going to eliminate the need for petroleum-based diesel fuel in the near future. Eight million gallons of biodiesel would require about 80,000 acres of canola.

There are advantages and disadvantages using biodiesel. The advantages of biodiesel are:

- Biodegradable, nontoxic, renewable
- Requires no engine modifications (except in older engines)
- Can be blended in any proportion with petroleum diesel fuel
- Cleaner exhaust emission, high cetane number, and excellent lubricity
- Very high flashpoint
- Recycles CO₂ so it reduces global warming

The disadvantages of biodiesel are:

- Soybean oil-based biodiesel will start to jell at the freezing point
- Biodiesel is less oxidatively stable than petroleum diesel fuel
- Emissions increase in some engines
- Biodiesel has about 8% less energy per gallon. Fuel consumption will increase about 8% to compensate.

Crops used for biodiesel in Idaho are canola, mustard, safflower, and

sunflower. New options are camelina and soybeans. The Treasure Valley is unable to grow rapeseed crops because of the possibility of cross breeding.

Biofuels are growing rapidly through out the United States. Idaho could play a role but is currently lagging behind the Midwest. Even with current federal and state incentives, biodiesel needs leadership from government.

A question was asked what grade of glycerin is produced and what can it be used for. It is at a level that is impure so it needs to be purified for cosmetics and perhaps other new products.

A question was asked regarding the restricted area of where some crops aren't allowed to be grown. The regulations are in regards to edible and nonedible rapeseed crops. They don't want to let them cross pollinate.

A question was asked what makes the year 1991 be the dividing factor for cars that are older have to have modifications in order to use biodiesel. Before 1991 the hoses used were made of materials that will degrade with biodiesel.

A question was asked if the cost of biodiesel in Idaho is comparable to other states. Biodiesel in Idaho has a 50¢ a gallon disadvantage because it is shipped into the state. The Stinker stations around here have it brought in from out of state.

A question was asked if the dollar excise tax is returned to the producer and no road tax is charged, what would the results be without those subsidies. Its not profitable. The tax credit is there until 2008.

Chairman Trail made the comment that a person in Kennwick, Washington, was going to grow, produce, and use his own biodiesel. Dr. Van Gerpen said this would not be a money saving process for the farmer. The fuel quality would also be an issue.

PRESENTATION: **Dr. Matt Morra**, Professor of Soil Science, University of Idaho, spoke on using rapeseed and mustard meals as bio-pesticide and bio-herbicide. The oil of the seeds is about 30-40% of the seed weight. The remaining 70% is waste. The meal contains 5-6% nitrogen which can be used as soil fertilizer. Glucosinolate is present in the leaves and the stems but the seeds have the highest concentrate. When this is ground and water is added, isothiocyanate is created. This is an enzyme that can be used as an organic pesticide. The success of this product is the ratio of the amount of water added. A patent has been filed for the use of mustard seed as a bio-herbicide. This will appeal to the organic market. This product is not to be used on large crops. It does meet the organic standards. They have started to obtain the EPA registration and are creating the label recommendation. A toxicity tester has been hired. Funding is needed to get it registered. Dr. Morra has spent 18 years researching this and was very passionate in the success he has reached.

A question was asked if there is any medicinal applications to mustard

seed (i.e. the old chest mustard pack). Dr. Morra didn't know but there are other things that are valuable from the plant.

A question was asked if the meal is applied on weeds, will it kill them. Yes, but the key is how much and what type of plant you are applying it on.

A question was asked how much should be applied. It will vary from crop to crop and the type of weed.

A question was asked how much time do you have to wait between applications to plant another crop. It will vary from crop to crop.

Dean Hammel, University of Idaho, presented a brief update on the Proposed Livestock Center in Jerome County. It has passed through JFAC. He requested the support of this legislative body. Any questions or concerns may be directed to Rich Garber at rgarber@uidaho.edu.

A question was asked if they are getting support from the congressional delegation. Senator Craig and Senator Crapo have communication with people out here. They are supportive of it. The Jerome County Commissioners have recently removed the one mile limit for testimony on CAFO sightings.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:06 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 8, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 2:22 p.m.

MINUTES: Representative Bolz moved to accept the minutes of March 6, 2007, as printed. The motion carried by voice vote.

Chairman Trail announced negotiations are still underway regarding the elk bill. House Bill 205, animal remedies, was defeated in the Senate with a 5-4 vote. The Department of Agriculture will probably come back with a new bill next year.

PRESENTATION: **Blaine Jacobsen**, Executive Director, Idaho Wheat Commission, presented their annual report. The activities carried out by the commission are funded by a 1.5¢ per bushel tax. Revenue from the wheat tax during FY2006 is expected to be \$1.3 million while the approved FY 2006 budget is \$1.77 million. The gap between will be covered with a draw from the reserve account. It is projected the tax will increase to 2¢ a bushel to help protect the reserve dollars.

Regarding the legislative audit, there were no findings or recommendations as in the previous year. However, minor internal control improvements were suggested.

Last year approximately 1.2 million acres of wheat were harvested. The yield was 75.3 bushels per acre and the total crop was 90.3 million bushels. The wheat crop adds nearly \$300 million to Idaho's economy each year.

Approximately two-thirds of Idaho's production is grown on irrigated farmland and one-third is grown on dry land. Approximately two-thirds of the crop is winter wheat and the remaining is spring wheat.

The largest amount of wheat grown in Idaho is soft white. It is roughly 57% of the annual crop. It is followed by hard red at 39%. The remaining 4% of the crops is consisted of hard white, durum, and club wheat.

Roughly half of the crop is exported. This includes Japan, the Philippines, China, South Korea, and Taiwan. Idaho remains optimistic that Mainland China will continue their relations.

Rail transportation continues to be the single largest problem Idaho wheat growers are faced with. Idaho wheat growers support the efforts to boost rail competition through the Alliance for Rail Competition. Several agricultural organizations will meet with ISDA on March 15th to explore whether there are any state and local actions that can be taken to help wheat growers have more transportation options.

A question was asked regarding the soil being depleted by growing the same crop year after year. Most growers rotate their crops. Corn is a concern for wheat growers as it can get a disease that can be transferred to wheat.

A question was asked what per cent of soft white is grown verses other varieties. Usually is it two-thirds of Idaho's crop. But because of the high price of hard red this year, it slipped to 57%.

A question was asked where IOGEN in Bingham County stands today. It has taken a lot of work and time to get the facility to where it is today. They have some internal things to take care of before they can continue.

A question was asked what is the difference between hard red wheat and soft white wheat. Hard red wheat is used for breads. The soft white wheat is used for cakes and crackers.

A question was asked when should contracts for Northern Idaho be done. With the current high prices in affect, contracts should be done now.

PRESENTATION: **Candi Fitch**, Executive Director, Cherry Commission, Apple Commission, presented their annual reports. The agricultural groups that Ms. Fitch represents supports strong borders and immigration reform. Letters were sent to the Idaho congressional delegates on the subject of immigration reform.

Other areas the commissions have concern are:

- ! Farm Bill
 - < There are components in the Farm Bill which involve research money that could be helpful to the industry.
- ! Market Access
 - < The coddling moth is making it hard to enter the Taiwan market.
 - < Mexico has a 46% tariff on Idaho apples.

The Apple Commission is funded by a 5¢ tax on every 40 pound box of apples. The estimated crop assessment for the 2007-2008 budget is \$45,000. An audit of their finances is done every other year.

One of the commission's focus this year has been on the University of Idaho research projects. The commission contributes to these on an annual basis and it's trade association memberships. The commission is also a member of the Buy Idaho and Idaho Preferred programs. They

are pleased with the efforts of the Idaho Preferred program.

A question was asked if the Apple Commission is involved with the Idaho-Mexico Trade office. Yes. The trade office went to other commissions and found funding so they didn't have to contribute. They are active.

A question was asked if the research part of the budget applies to disease or product development. It applies to both.

Ms. Fitch presented the Cherry Commission report. The estimated 2007-2008 budget for the Idaho Cherry Commission is \$50,000. The Cherry Commission is funded by a \$20.00 a ton tax. Nothing is collected on brine cherries. The Cherry Commission's budget does not change much from year to year.

Idaho had an excellent cherry crop in volume and quality. The market was mixed. It was strong in June and then was a little weaker in July. The export market was strong. Many of the issues that affect the apple industry applies to the cherry industry, and really any agriculture industry.

A question was asked how does the state differentiate the product. There's a loyalty established. For example, Idaho apples have 2% more sugar content and those who want that, look for Idaho apples.

A question was asked since the price of pie cherries and maraschino cherries have increased, does the commission see that. No. Idaho doesn't collect money from those types of cherries.

PRESENTATION: **Deana Sessions**, Administrator, Idaho Dairy Products Commission, presented the commission's annual report. The Commission is a self-governing agency of the State of Idaho and receives no Idaho General Fund appropriations. The Commission is funded by a mandatory assessment of 10¢ per hundredweight of milk produced by Idaho dairy farmers. The assessment is collected monthly from the companies that process the milk. The total 2007 estimated funds available is \$15.1 million.

Idaho is the second largest milk producing state in the twelve western states and ranks 4th in the total United States. As of December 31, 2006, the state had 683 dairy farm operations; producing 10.871 billion pounds of milk (1.264 billion gallons) from the 477,193 cows milking. Idaho is the 3rd largest manufacturer of natural and processed cheese in the U.S. making more than 770 million pounds annually in the state. Approximately 44.3 million gallons of Idaho produced milk is processed into fluid milk for drinking.

To date, the United Dairymen of Idaho has paid for 407 coolers and placed 62 vending machines in Idaho schools. The coolers ensure that milk is served cold and fresh. The plastic bottles are a big hit with the kids. The cardboard cartons will be a thing of the past by year end. Over the next year, more than 1 billion units of milk will be sold at foodservices like Burger King, McDonalds, and Sonic.

Several new protein drinks are available that contains whey. Kellogg's Special K20 Protein Waters, is one of them. It is a whey protein-enhanced water that uses an estimated 150,000 pounds of whey protein isolate each year.

A new study suggests chocolate milk to be a new sports drink that will refuel tired muscles. The researchers noted that chocolate milk tastes good and is a cost effective alternative to many sports drinks.

Dairy Farming Today is a new web site developed by the check off program to educate the public about modern dairy farms. The web site features an Idaho dairy, Si-Allen Farms. For more information visit their website, www.dairyfarmingtoday.org.

A question was asked if the cheese plant is on board in Mountain Home. They are up and running. They only cut and wrap cheese.

A question was asked what are the schools doing with all the plastic containers after the milk is drank. It is a school by school issue. Plastic milk containers aren't the only containers being thrown away. Coke and Pepsi come in plastic bottles too. They do have recycle bins and any school who asks for them, will get one.

Chairman Trail commented he has seen an article stating chocolate milk sends energy faster to the brain than white milk. Yes, that is true.

A question was asked if there is education materials available to schools on dairy and dairy products. Yes. The Commission has a room full. All the school has to do is call and ask for it.

A question was asked if there has ever been a test conducted proving that milk in a plastic bottle tastes better than milk in a cardboard carton. Yes. There was a test conducted with 60,000 children. The plastic bottles won hands down. Dairy farmers are paying the difference for the cost of the plastic containers in the schools. It runs about 5¢ each.

A question was asked since one of the schools in the Twin Falls area outlawed power drinks, would that include the new Special K drink. It would depend on the calorie and sugar content that they are restricting.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:20 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** March 12, 2007
- TIME:** 1:30 p.m.
- PLACE:** Room 416
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:** Representative Stevenson
- GUESTS:** Please refer to the presenters highlighted below and the attached committee sign-in sheet.
- Chairman Trail called the meeting to order at 2:10 p.m.
- MINUTES:** Representative Bolz moved to accept the minutes of March 8, 2007, as printed. The motion carried by voice vote.
- Chairman Trail announced Senate Bill 1074 will be heard in this committee Friday, March 16th. We will meet in the Gold Room upon adjournment of the full house. There will not be a meeting this Wednesday, March 14th.
- PRESENTATION:** **Diana Caldwell**, Administrator, Idaho Bean Commission, presented their annual report. This year marks the 50th anniversary of the Idaho Bean Commission. The number of acres harvested for 2006 was 59,800. This included both seed and edible beans but excluded snap bean seed and garbanzo beans. There were high yields per acre but less acres harvested. Idaho produces 6% of the total production in the United States. This doesn't include snap beans. The largest amount of beans grown in Idaho are pinto. This is followed by pink, small red, navy, kidney, black, great northern, small white and cranberry in that order.
- The Commission's 2006-2007 activities are concentrated to Mexico. They are:
- Emerging Market Program Grant \$125,000
 - Zacatecas & Chihuahua tests
 - Federal State Marketing Improvement Program Grant for \$110,000 pending
 - Mexico yellow Seed Tests in Kimberly
 - 2008/2208 Tests in Sinaloa, Zacatecas & Nayarit
 - Cooperation with USDA/FAS regarding NAFTA implementation in 2008
- Other activities include \$55,000 that will be used for research at the University of Idaho. Kimberly released two new breeder seeds of pintos and great northern. The Idaho Bean Commission had a display at this year's Ag Pavilion. The Commission has concern regarding the Farm Bill and speciality crops.

The FY2006 budget for the Commission was \$251,321. The distribution of funds is evenly distributed: 24% for market development, 24% for research, 21% for administration/policy development, 18% for industry partnership, and 13% for education and information.

Challenges for the coming year include:

- There is a decline in funding to the commission because of dealers consolidating.
- There is a loss of acreage due to corn, wheat, and housing developments.
- The snap bean industry faces inadequate rail service
- .There's a need to persuade Idaho dealers to capitalize on new opportunities for exports to Mexico.
- China is producing good quality seeds and are exporting them.
- The 2007 Farm Bill will restrict speciality crops.

A question was asked what market penetration does the Commission make in Canada. The Commission attended several trade shows but it was expensive. The Canadians do buy seed but they plant saved seed which is a high risk for disease.

A question was asked what are the barriers of the markets the Commission face. Mexico can plant saved seeds up to 8 times. They replant diseased seed. They are protective of their crops. Education needs to be done.

A question was asked in terms of food aid, does Idaho send seed to help. The Idaho Bean Commission doesn't have money for its own trade commission. Mostly commercial grade seeds are sent overseas to eat.

A question was asked if there is a particular niche Idaho could fill. What can we do to get more attention? Money is the problem. It is individual seed companies that import our seeds.

A question was asked to elaborate on the yellow bean patent that was filed several years ago in Colorado. The gentleman let the patent drop. They were a short season variety.

PRESENTATION: **Rick Waitley**, President, Waitley Associates, presented the Idaho State Pesticide Management Commission's annual report. This commission was created only four years ago. The original administration of the Commission was handled internally by the Idaho State Department of Agriculture. The purpose of forming the commission was to provide cost share grants to develop comprehensive pest management strategies, conduct pesticide field residue studies to support section 18 exemptions, Section 24C labels and Section 3 product registrations, and to support the development of IMP strategies in Idaho. The commission has continued to seek outside commodity support as well as possible grants for continued research. The FY2006 budget for the commission was \$20,000. The present balance is \$5,600.

A question was asked if the commission is a one time commission or is it on going. It is on going. It was created within the Food Producers. They continue to look for funding.

A question was asked when the commission was formed with the \$100,000 and they received \$20,000 was that a grant? It was the final installation of the \$100,000. The first \$80,000 was used to start up front.

A question was asked regarding organic and non-organic crops being sprayed. There is no specific relations of the two.

PRESENTATION: **John Hartman**, Chairman, Idaho Alfalfa and Clover Seed Commission, presented the commission's annual report. In fiscal year 2006, Idaho produced approximately 11,859,171 pounds of alfalfa and clover seed. The current assessment for the seed is \$0.0035 per pound. Assessment payments are received from 13 dealers across Idaho. The Commission oversees the disbursement of funds in three major categories of operation: research, education, and promotion. The commission is affiliated with the National Alfalfa and Forage Alliance (NAFA) based in Kennewick, Washington. Idaho paid \$14,735 into the NAFA fund for 2006.

In 2006 Idaho funded four research/education projects for \$8,000:

- Alternative Pesticides Chemistries for Lygus Control
- Residual Soil Phosphorus Effects on Production
- Treasure Valley Alfalfa Seed Website Development
- Lygus Bug Resistance

Idaho is the second largest alfalfa seed producing state behind California. Idaho is the leading producer of winter hardy alfalfa seed. The Commission has been involved in many discussions in recent months relating to the role the alfalfa and forage crops may play in the 2007 Farm Bill.

A question was asked if the industry has fallen and what are some things that forced it so low. A company called ABI bought many crops and produced a large inventory. But when it went bankrupt, there was a surplus of seed. Another reason is Canada has good alfalfa seed. Also dairy cows are feed less alfalfa and are supplemented with other feeds.

A question was asked if there is a problem with the number of bee colonies. Bees are important to the alfalfa grower, but they are leaf cutter bees. Honey bees are usually the ones that make the news. Some leaf cutter bees are imported from Canada.

PRESENTATION: **Rick Waitley**, President, Waitley Associates, representing the Idaho Canola/Rapeseed Commission, thanked the committee for passing House Bill 156 through this committee. The legislation is on the governor's desk for his signature. This bill will dissolve the boundaries which will make it better for the commission. It will also change the Commission's name to reflect "oilseed" and also include "oilseed" within the statute.

The Idaho Canola/Rapeseed Commission was created in 1996 as a tool to advance the oilseed industry in Idaho. The Commission collects a tax of ten cents per hundred weight on all canola, rapeseed, or mustard sold or contracted in this state through commercial channels.

A question was asked in lieu of the field burning issue, will oil seed replace Kentucky Blue grass if the farmers can't burn their fields. Oilseed won't be a replacement but could be a crop for rotation. We will probably see it being grown more in Southern Idaho. Canola meal may be a part of the diet for dairy animals.

A question was asked what is happening with slash piles and burning. Dar Olberding and Mr. Waitley are putting a question and answer letter together for the legislators to take back at the end of the session. It will explain what they've been doing.

Dar Olberding, Legislative Advisor, Idaho grain Producers Association, gave an update on the burning issue. The court has instructed all burning to cease except burning of slash piles and ditches. Crop residue can not be burned. The Idaho State Department of Agriculture and the Department of Environmental Quality are concerned. A Washington, D.C. attorney has been hired by the grain growers to fight this. With Senator Craig, Senator Crapo, and the attorney, they may make head room. Idaho is being watched by every state west of the Mississippi River because of the burning issue.

The Nez Pierce Tribal newsletter said they aren't going to burn. Mr. Olberding met with the tribe last Thursday and they are getting an EPA grant to run their own program.

A question was asked if the farmer can't burn off his field, what will he do. The can chop the stubble really fine.

A question was asked what the Coeur d'Alene Tribe is doing with their burning. They are going to burn. At the end of March, they will decide what to do.

A question was asked what orchard burning is. It is the burning of the tree limbs and spring smudging.

PRESENTATION: **Rick Waitley**, President, Waitley Associates, presented a short presentation on *Ag in the Classroom*. This statewide program elevates the importance of the agriculture/natural resource industry in classrooms.

Highlights and activities the past year include:

- Ag Expos for elementary children hosted by FFA Chapters
- Up Close and Personal Tours sponsored by the AITC Advisory Committee
- Six summer workshops with 218 teachers participating
- Activities at the Food Producers of Idaho Ag Pavilion at the Western Idaho Fair and the Twin Falls County Fair
- Successful Ag license plates program
- Ag Mag - an agricultural magazine for children
- Coloring Ag map for the classroom
- Idaho products food pyramid
- Ag puzzle funded by Monsanto

A question was asked if the sale of license plates is still doing well. They

are for passenger vehicles only. A lot of collectors buy them as do new people who move into the state. The revenue from the plates is around \$32,000 to \$34,000.

A question was asked what involvement AITC has with agricultural high school programs. There are 94 FFA chapters in Idaho. Twenty three of them are offering Ag expos. These events help not only the children on the field trip to learn about agriculture, but also are an excellent training opportunity for the high school FFA members.

A question was asked regarding the college credit a teacher may receive after attending an Ag workshop. Summer workshops for University of Idaho graduate or undergraduate credit (1 credit) are offered each year. Each workshop is two days in length. Priority goes to teachers first.

Mr. Waitley presented Representative Bolz a plaque recognizing him as an outstanding advocate for Ag in the Classroom.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:30 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 16, 2007

TIME: 1:30 p.m.

PLACE: Gold Room

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: Please refer to the presenters highlighted below and the attached committee sign-in sheet.

Chairman Trail called the meeting to order at 12:23 p.m.

MINUTES: Representative Bolz moved to accept the minutes of March 12, 2007, as printed. The motion carried by voice vote.

Chairman Trail announced next Tuesday, March 20, 2007, will be our last committee meeting.

S 1074

Senator Corder presented the main points to Senate Bill 1074. The bill would require licensing, which isn't new to the cervidae industry. The bill also requires site fencing requirements. The license would allow the Department of Agriculture to address site specific fence adjustments pertaining to ingress and egress on cervidae farms and ranches. The proposed legislation implements a one time fee of \$200 to license a farm or ranch. An annual fee of \$5.00 per head would also be implemented. Also in the bill, the Department of Agriculture is given the authority to regulate, inspect, and to determine (as part of the licensing provision) to revoke or suspend the license. This is like any state license obtained in Idaho. The business can be shut down. This would insure security and consistency for the cervidae program within the state. The bill would not take affect until January 2008. This date is projected because of the complexity of the bill. Rules and guidelines would have to be written from public input before it would go into effect.

A question was asked for clarification. There is an emergency section in the bill but the licensing does not go into affect until January 2008. Yes, that is correct.

A question was asked if we are in the process to domesticate all of the wild animals in the State of Idaho. No. It would never happen to animals like cougars and bears. Only animals that could be domesticated like the elk. Future legislation would have to accommodate other animals. There is always change over time.

A question was asked regarding double fencing would be left to the individual farmer to decide where to use. Some locations may require

double fencing as the animals may congregate at one location. Other areas may not require double fencing. There needs to be flexibility.

Concern was expressed if there is no consistency that escapes could happen as the one last year. Also to expand, on the costs for these ranchers to place these fences would exceed the benefits of society. It has not been determined that there would be costs to society as a whole. There are risks to both sides. It is up to the department per farm to make the decision.

A question was asked why the terms "farm and ranch" were used in Section 4, line 23. Those words are synonymous but for some people those words need to be used for clarity. Everything that will have these animals on it will fit into the category "farm" or "ranch." It will be the only way to own these animals as they will live on a farm or a ranch.

A question was asked if there is a definition for the number of acres to be a farm or ranch. No, there is not.

A clarification was asked regarding the *types* of cervidae ranches. Some don't have bull shooter type animals. So they wouldn't need double fencing? The size and location of the farm or ranch would designate the need for double fencing.

Representative Wills spoke in recommendation of passing the bill. Last fall meetings were held in the Magic Valley and Boise areas consisting of the Department of Agriculture, Fish and Game, sportsmen, elk ranchers, and any individuals who had interest in this. There was concern to make sure the public was protected and the farmers and ranchers were protected as well. The object of these meetings was to find resolutions and several options. A clear answer was not reached but they tried to make something work that would be of equal importance for both sides. There were many options suggested. Some could put some people out of business. There was an agreement that the Department of Agriculture needed some tools to wrap their arms around. This bill reflects many hours of negotiations between both sides. The solution can not be a once size fits all scenario. Both sides of the fence have equal importance.

A question was asked what the economic impact elk ranching has on the state. Representative Wills didn't know.

A question was asked if the sportsmen think this bill is going far enough. Some say it is good and some say it is not so good.

A question was asked with his background of the meetings in the Magic Valley, do these amendments go along and help the original bill. He doesn't think this does any collaborative damage. It is a starting point.

A question was asked if only \$5.00 goes back to the Department of Agriculture regardless what the bull shooter pays for his hunt. Was there any talk for more money be given to the Department of Agriculture? Will it be a burden for their department? Yes, that was discussed. The \$5.00 per animal is charged every year, not just a one time charge. The Department of Agriculture did not indicate that collecting the fee would be an added burden to the department.

Chairman Trail informed the committee that Mr. Speaker met with Stan Boyd, representing the Elk Breeders Association, and created two amendments: RS16832A1 and RS16832A5. Chairman Trail requested Representative Kern to explain the amendment RS16832A5.

Representative Kren explained amendment RS16832A5 which pertains to Section 5. In line 23, the word “violates” will be deleted and “knowingly violates” will be inserted. This amendment will insure the Department of Agriculture can target those who refuse to tag or fence or just break the rules. They can punish those who *intentionally* break the rules of the regulations. There is a difference between “violates” and “knowingly violates.” The words “knowingly violates” protects those in the industry who do not intentionally break the rules. The Department of Agriculture would have to prove and show intent which would protect.

Concern was expressed regarding “knowingly” and “not knowingly.” Situations can happen when no rules are broken and the intent was not to break the law, but it happens. The legal system must prove “intent.” The amendment keeps the people who are trying to follow the regulations on board.

A question was asked if the amendments have been coordinated with the sponsor of the Senate Bill 1074. No, Representative Kren was asked by Mr. Speaker to bring the amendment to the committee.

Stan Boyd, Idaho Elk Breeders Association, spoke on Senate Bill 1074. This bill was voted by the Idaho Elk Breeders Association. Not everyone in the association favored the bill, but the majority did. After the bill came over from the Senate, many meetings were conducted with Mr. Speaker. The only amendment agreed by the association and Mr. Speaker is RS16832A1. It is basically not much different from RS16832A5. The first is correcting a typo from 30 days to 28 days. This will make it in compliance with the Administrative Procedures Act. The deletion of “violates” and insert “knowingly violates” is also included.

A question was asked if the Association is somewhat supportive of the amendment RS16832A1. Mr. Boyd worked closely with the President of the Association and Mr. Speaker. Not all members of the Association voted on the bill but they thought this amendment is what it takes to get the bill off Mr. Speaker’s desk.

A question was asked what is the difference between the two amendments. Since the Elk Breeders Association was not involved in Amendment RS16832A5, Mr. Boyd was unable to answer the question.

A question was asked what the “bad actor” amendment is. They were thinking of adding a three tier for fines. Mr. Speaker decided not to include it.

Senator Siddoway explained he had some involvement on the bill but Senator Corder carried all the weight. He is a member of the Idaho Elk Breeder Association and sits on the Board of Directors but hasn’t had any conversation with them in a couple of weeks. He is also an elk breeder. He urges the committee to pass the bill without amendments. If it takes an amendment to get it out of the committee, he would support

amendment RS16832A1. He gave a brief explanation of how a breeder runs his farm or ranch.

A question was asked who he preferred to be regulated by. The Department of Agriculture is the correct agency. They have the resources and they have the time.

A question was asked to explain "harvest operation." Some people find it offensive to refer to it "hunting."

A question was asked if Senator Siddoway is an officer of the Elk Breeders Association. No. He sits on the Board of Directors.

A comment was made that the decision of the Association did not represent the membership properly. How many people don't feel this bill works for them? This bill has divided the members. There has been many meetings but not all members attended. There was a lot of negotiation done with the Department of Agriculture. There has been differences since the bill was written.

A question was asked if Senator Siddoway thinks this bill is a step forward and better than status quo. Yes. He is under the impression that there will be an initiative. If that happens, he would rather have people say this legislature tried to do something about the elk issue than nothing at all.

Dennis Tanikuni, Assistant of Public Affairs, Idaho Farm Bureau, spoke in favor of Senate Bill 1074 as well as the amendment RS16832A1. The Farm Bureau supports the bill because it establishes a participatory process, negotiated rulemaking, and determines management practices for the elk industry. Supporters and opponents can take part in this process. They support the right of domestic cervidae owners to breed, raise and market all members of the cervidae family indigenous to Idaho which can legally be acquired.

Kristy Hein, Elk Rancher, spoke in opposition of the bill. She read names of fellow elk ranchers who also oppose the bill. They believe this bill is poorly written and allows too much room for interpretation. The vote on this bill should have been accepted by the full membership of the Elk Breeders Association and not just a few. The legislation should include a provision towards the "bad actors" who give this industry a bad name.

A question was asked how many elk does she have on her farm. She has just under 200 elk.

A question was asked if she ever tried to obtain a CAFO permit since she mentioned the elk industry is heavily regulated. No, but she understands it is difficult.

A question was asked if she has fears if nothing is done to the elk industry this session. She feels an initiative is inevitable and education is the key. Refinements need to be done on what is already in place.

A question was asked how the negative publicity of the elk industry should be handled. Get the facts out there and the information.

A question was asked if her elk ranch has double fencing. No.

A question was asked why doesn't she have double fencing and what prevents her from having it. There is no proof that double fencing prevents the spread of disease. It would be a financial hardship to many elk ranchers to put it on their land.

A question was asked why licensing is such a problem with the elk breeders. She did not know the answer to that, the verdict is still out for her. Everyone should have been shown the bill early. She was shown the bill late.

A question was asked that there is a rule making procedure that everyone would be involved. Yes, that would be good for everyone to give input.

A question was asked since this is such a public issue, do you feel if the legislature does nothing, that it will not increase the momentum for an initiative. That is the consequence the elk breeders will have to deal with. The right bill needs to be passed and this isn't it. The entire group needs to be involved.

A comment was made, "until the membership is involved" was used several times, explain. The main issue with the bill is only part of the industry wrote it. They needed everybody in the industry.

A question was asked there are a lot of businesses that have licenses. Your Board of Directors are elected to represent the rest of the group. Do you think that is not a wise thing to do? The Board of Directors should represent the membership. But if the bill was shown to the members earlier, there wouldn't be this uncertainty.

Dan Douthist, Elk Rancher, spoke in favor of the bill. It will give the Department of Agriculture more tools to take care of the bad actors. This bill does what needs to be done.

Representative Chavez made the comment that there seems to be an identity crisis. There doesn't seem to be at fault of either parties. But if the industry and the folks involved are in this identity crisis, maybe this warrants more consideration. The people who are involved need to come together to some kind of consensus.

Gary Queen, Former President of the Idaho Elk Breeders Association, spoke in favor of the bill. This bill started at Governor Otter's office. It was given to the Department of Agriculture where they made some changes to it. Then it was handed over to the industry. A lot of work was done so this bill would not show bad precedence. There was input from the industry, outside sources, and private attorneys. The bill was not done in haste. If an amendment needs to be attached in order for it to be passed, RS16832A1 would be the best choice.

Len Gibsen, Elk Rancher, spoke in opposition of the bill. The industry has worked very hard with the Department of Agriculture to come up with comprehensive rules and regulations to protect the elk industry from disease. The Department of Agriculture needs tools to take care of people who knowingly break the law. The elk ranchers are already

registered so licensing is not necessary.

Chad Gibson, representing himself, spoke in opposition of the bill. He has concern with the wording of the legislation. Putting the amendment on it is probably a plus for the legislation. He would like to send it back to the drawing board.

Eldon Golightly, Elk Rancher, spoke in opposition of the bill. The bill doesn't address what needs to be addressed. He doesn't support the bill, may be the amendment.

Rex Rammell, Ex-elk Rancher, spoke in opposition of the bill. Licensing is a tool to put the elk breeders out of business. The bill is not necessary.

Roy Sterns, Elk Rancher, spoke in opposition of the bill. This is a licensing bill that punishes the entire industry by the noncompliance of one. The elk industry is probably the most regulated industry. The Department of Agriculture has told him that the elk industry receives the least amount of complaints than any other animal industry.

John Chatburn, Deputy Administrator of Animal Industries, Idaho State Department of Agriculture, clarified the registration portion of the current law pertains to premises registration under the National Animal Identification System and elk farms are required as part of that.

Charles Warren, Elk Rancher, on the Board of Directors for the Idaho Elk Breeders Association, spoke on the bill. He gave some background of the dispute on the bill. The Board of Directors voted over the phone. A copy of the bill was sent out without members knowing it. Members were to vote on it without a copy in front of them. The President has since resigned from the Board of Directors over the handling of the bill and the vote. He feels that the Elk Breeders Association doesn't have the right to dictate a law that would affect all cervidae ranches regarding if they are members or not. Roughly there is 80% of the cervidae industry that is against licensing.

A question was asked if he has changed his position on this legislation over the last month. No. He has been against this from the very beginning.

A question was asked for clarification. There was a conference call to the Board of Directors members on Tuesday, but the legislation wasn't put out until Friday. What was the purpose of the Tuesday conference call? They were told what the bill was about and to vote on it as a Board.

Senator Corder gave a brief wrap up. Not all members of the elk industry and the Elk Breeders Association agree on this bill. Not all sportsmen groups agree. The question is, should this industry be regulated? Businesses in the agriculture industry are licensed. There is due process. This legislation would allow the department some different and better approaches than in the past. The elk industry wants to keep Idaho disease free and they want to avoid disease in the elk industry.

A question was asked if the proposed legislation plus the amendment

increases property right protection. Yes, it does.

A question was asked to Representative Kren regarding the amendment RS16832A5 and the industry brought the amendment RS16832A1, would you and the people you represent be feel comfortable with RS16832A1. Would that amendment be acceptable? Representative Kren feels they would be comfortable with either amendment the committee would chose.

MOTION:

Representative Stevenson said registration is an important factor. Representative Stevenson made the motion to send Senate Bill 1074 to amending order with amendment RS16832A1.

Representative Durst made the substitute motion to send Senate Bill 1074 to general orders for amendment.

Representative Shirley said he understands the purpose Representative Durst's motion will keep it on the amending order. Would you share with the committee what your intentions are? Representative Durst has three amendments to present to general orders.

Representative Shirley asked if these amendments would be new or different than the previous ones presented by the Senate. Representative Durst responded that they would be "packaged."

Representative Lake said he is suspicious to send Senate Bill 1074 to general orders without knowing what amendments will be proposed.

A roll call vote was requested on the substitute motion:

Voting Nay: Representative Andrus
Representative Lake
Representative Stevenson
Representative Bolz
Representative Shirley
Representative Patrick
Chairman Trail

Voting Aye: Representative Pence
Representative Chavez
Representative Durst

With 7 nay/3 aye vote, the substitute motion failed.

Discussion followed regarding the original motion to send Senate Bill 1074 with the amendment RS16832A5 to the floor with a do pass.

Representative Patrick said with all the testimony, he got mixed feelings and not to send it on. But that would be doing a dis-service to the elk industry. He feels down deep something needs to be done so Idaho doesn't lose their elk industry.

Representative Shirley said he supports sending it to the floor with the amendment. The status quo is not the answer. He feels we must take a stand on it and will vote to send it to the floor with the amendment.

Representative Durst said he is in opposition to the original motion. He is concerned that either amendment would provide obligation costs that would be placed on the tax payers. There is "loosness" in the language and interpretation.

Representative Lake said he would be voting no to preserve his right to debate against the bill on the floor.

A roll call vote was requested on the original motion:

Voting Nay: Representative Lake
Representative Patrick
Representative Pence
Representative Chavez
Representative Durst

Voting Aye: Representative Andrus
Representative Stevenson
Representative Bolz
Representative Shirley
Chairman Trail

With a tie vote 5/5, the motion failed.

ADJOURN:

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:25 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 20, 2007

TIME: 1:30 p.m.

PLACE: Room 416

MEMBERS: Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** None

GUESTS: None

Chairman Trail called the meeting to order at 3:30 p.m.

MOTION: Representative Bolz moved to accept the minutes of March 16, 2007, as printed. The motion carried by voice vote.

Chairman Trail thanked the committee for all their hard work in the Agricultural Affairs Committee this session. He also thanked the secretary and page.

ADJOURN: There being no further business to come before the committee, the meeting was sine die at 3:43 p.m.

Representative Tom Trail
Chairman

Vickie Winkel
Secretary