

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, January 18, 2018

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Rice, Vice Chairman Den Hartog, Senators Patrick, Bayer, Guthrie, Thayn, Harris, Foreman, and Jordan

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Rice** called the meeting of the Senate Agricultural Affairs Committee (Committee) to order at 8:02 a.m.

MINUTES APPROVAL: **Senator Patrick** moved to approve the minutes of January 11, 2018. Seconded by **Senator Jordon**. The motion carried by **voice vote**.

RS 25702 **Relating to Environmental Quality; Authorization to Implement National Pollutant Discharge Elimination System (NPDES).** **Barry Burnell**, Water Quality Division Administrator, Department of Environmental Quality (DEQ), stated this proposed legislation amends the Poultry Environmental Control Act (PECA) and the Environmental Protection and Health Act (EPA). This legislation is necessary for Idaho to demonstrate compliance with the Environmental Protection Agency (EPA) National Pollutant Discharge Elimination System (NPDES) program and establish Idaho's primacy for Idaho Pollutant Discharge Elimination System (IPDES) program.

There are five proposed sections in the bill. The first is to amend and update the PECA. The next three sections amend the EPA. Section 5 provides authority for the Director of DEQ to sign a Memorandum of Agreement with the EPA to exempt Idaho from implementing the EPA vessel general permit. This agreement will avoid duplication of the permitting process on barges that use the Snake River; the barges are subject to a national permit. Section 6 sets up an IPDES dedicated fund, where the permit fees will be deposited, to support the program. The dedicated account will allow DEQ to track how well the permit fees are funding the program. Under the fiscal note, the IPDES program will be partially supported by permit fees and no fees will be imposed for poultry animal feeding operations. The cost to these facilities will not increase under the proposed legislation and there will be minimal cost to the State in implementing the IPDES program. DEQ is in the third year of the development of the IPDES program, DEQ expects by July 2018 to start the operation of the municipal section of the NPDES program with the approval of the Legislature.

The proposed amendments are necessary to separate the Idaho State Department of Agriculture's Poultry Program authorities from the Clean Water Act (CWA) authorities. This is required in order for Idaho to demonstrate that DEQ would have clear authority over implementing the CWA NPDES requirements for poultry confined animal feeding operations. The PECA has language that authorizes DEQ to enter into a Memorandum of Agreement with the Idaho State Department of Agriculture (ISDA) because DEQ believes that ISDA would have expertise in conducting inspections of poultry operations.

Senator Patrick asked if this legislation is not passed will EPA have primacy over PECA. **Mr. Burnell** responded that EPA would still maintain authority for permitting in the State of Idaho.

Senator Harris remarked that this proposed legislation had been shared with two poultry operations in the State. He asked what was their response to the proposed authority change. **Mr. Burnell** answered that he did not receive a response from Wrightwood Egg Farm in Franklin, Idaho, but did speak with Peter Brown of the High Line North America operations in Burley, Idaho. Mr. Brown had no objection to the proposed legislation. These two poultry operations are designed to not have discharge, so they will not be subject to the EPA Confined Animal Feeding Operation (CAFO) permit.

Chairman Rice questioned the fiscal note and suggested that it be amended to include information about poultry in the general cost. The fiscal note should reflect that, at present, there are no poultry operations currently regulated by the EPA, the cost of this legislation would be minimal, and fall within existing costs. **Chairman Rice** asked Mr. Burnell if DEQ would be amenable to adding this language to the fiscal note as part of the printing process of this bill. **Mr. Burnell** answered in the affirmative that DEQ would add this additional language to the legislation.

MOTION:

Senator Bayer moved to print **RS 25702** with the corrected fiscal impact note. Seconded by **Vice Chairman Den Hartog**. The motion carried by **voice vote**.

PASSED THE GAVEL:

Chairman Rice passed the gavel to Vice Chairman Den Hartog.

DOCKET NO. 42-0101-1701

Rules of the Idaho Wheat Commission. Clark Hamilton, Idaho Wheat Commissioner, said this rule change will allow the Idaho Wheat Commission (IWC) to acquire wheat growers names and addresses at the point where their check-off dollars are collected. This will allow the IWC to supply information to wheat farmers for marketing and other activities. It will give growers the opportunity to weigh in on the future and direction of IWC.

The wheat elevator operators resisted this rule change a few years ago, but now have come to support the new language in this rule. One of their concerns in the past was that private information would become public. The Attorney General's Office assured IWC that this list will remain proprietary and will not be subject to public record requests.. IWC has crafted language to make this list secure within their organization.

Senator Patrick disclosed that he had a conflict of interest pursuant to Senate Rule 39(H); he pays into the IWC, receives their newsletter, and is in support of this rule. He stated that he is in support of this docket because he served on the Idaho Bean Commission and, without a mailing list of the producers, it is impossible to effectively notify growers of issues that may affect their industry.

Senator Harris and Senator Thayne stated that they had a conflict of interest pursuant to Senate Rule 39(H).

Richard Durrant, wheat grower and elevator operator explained that the original rule revision language created much concern amongst the wheat growers and elevator operators. IWC has met with the wheat elevator operators in the state to reassure producers that these lists of names and addresses will remain confidential. **Mr. Durrant** concluded that he supports the rule.

Senator Guthrie indicated that he was comfortable that the wheat producers list would be exempt from public records requests. He asked if the producers have the option to refuse to share their personal information for the list.

Senator Guthrie asked for more clarification on the privacy of this growers list before he voted on the docket. **Blaine Jacobson**, Executive Director, Idaho Wheat Commission reassured the Committee that records of commodity commissions are exempt from public disclosure in the State of Idaho. The disclosure exemption is referenced in IDAPA 74-107.Subsection (7).

MOTION:

Senator Patrick moved to approve **Docket No. 42-0101-1701**. Seconded by **Senator Thayn**. The motion carried by **voice vote**.

**DOCKET NO.
08-0501-1701**

Rules Governing Seed and Plant Certification. **Tracie Bent**, Chief Planning and Policy Officer, Idaho State Board of Education, advised this rule has been referred to the Committee from the Senate Education Committee. She further explained that the University of Idaho is required by statute to assess standards on seed certification and they are required to go through rulemaking for this process. There are two changes to the existing standards that are being proposed: 1) Idaho grain standards and 2) potato certification standards. For the Idaho grain certification standards there are changes to the land requirements to allow irrigated fields producing certified class seeds, if the field did not produce small grains the previous crop year. The potato certification standards changes remove the corky ring spot from the Seed Lot Disqualifying Conditions and specify that seed lots with a greater than 1.0 percent of Well Defined Mosaic are not eligible for re-certification.

Senator Patrick asked for clarification on these seed standard changes. **Doug Boze**, Executive Vice President of Idaho Crop Improvement Association, explained the two changes in this rule. 1) The rationale for the change in the land history requirement for irrigated certified class small grains resulted from the desire of the small grain seed industry to reduce the number of years that a field would need to remain fallow. It has been demonstrated under cultural practices in rotational crops that are used in irrigated production that the additional years of remaining unplanted reduce the possibility of volunteer wheat plants being present in the field.

2) The Seed Potato Certification Program corky ring spot is now included as a zero tolerance disease. It has caused an issue in compliance with a trade agreement between the United States and Canada regarding necrotic potato diseases. This change will place Idaho in compliance with this bilateral agreement. By allowing a tolerance for several diseases including the corky ring spot from the Seed Lot Disqualifying Conditions and specifying that seed lots with a greater than 1.0 percent of Well Defined Mosaic are not eligible for recertification.

The rule strengthens and improves the standards to the Seed Potato Certification Program for seed stock that is being planted against the Well Defined Mosaic virus. To control this disease in the State, it was the seed industries desire to reduce the amount of inoculin that is planted, especially in the seed management acres.

Mr. Durrant spoke in support of this rule change, stated this is a wise choice by the University of Idaho for grain and potato production. These crop rotation and disease control management practices will enhance the State's quality seed production.

MOTION:

Senator Patrick moved to approve **Docket No. 08-0501-1701** and made a recommendation to the Education Committee for approval. Seconded by **Senator Jordon**. The motion carried by **voice vote**.

PRESENTATION: Idaho Wool Growers Association (Association) Control of Sheep Diseases.

Brandy Kay, Executive Director, Idaho Wool Growers Association, opened her presentation stating that the wool industry has many varying challenges, because of people's perceptions of the industry. Outside environmental agencies perception of grazing rights cause innumerable slowdowns in the grazing rights and basically these groups do not want sheep on public lands.

This was an informative Powerpoint presentation of the wool industry that showed lambing, the shearing all in one piece of the wool, why shearing is necessary, recently grazed land, and quality of wool clothing.

Ms. Kay addressed the Idaho Wool Growers Association financials and drew the Committee's attention to the wool assessment and how it is formulated. She advised that the industries financial statements are dependent on when they shear and sell the wool. Last year's assessment was delayed because of the downturn in prices; the industry chose to sell the wool later in the year which effected the income calculation.

Chairman Rice asked if there has been an increase in recent years in the amount of depredation from wolves and other predators. **Ms. Kay** explained that there are two answers to this question. The statistics reveal that the numbers are slowly increasing. The industry believes that part of this increase is due to the ranchers learning how to tell when a depredation to the animal occurs. **Chairman Rice** asked if ranchers are taking additional steps with additional costs to prevent these losses. **Ms. Kay** answered that the ranchers use guard dogs, pen their sheep up at night, and alert to the noises of the predators.

Senator Harris asked if the Association is seeing a decline in the number of sheep producers or has that number leveled off.. **Ms. Kay** advised there are between 200 to 300 producers; 60 to 100 being larger operations. The amount of sheep producers are in a decline as some of them are retiring; labor issues are also contributing to this decline.

Senator Guthrie asked if their Idaho Sheep and Goat Health Board revenue model is sustainable. **Ms. Kay** answered this policy model does work for the promotion, research, and education of their producers. Because of the delay in selling the wool, less revenue was credited to the account than in previous years.

**DOCKET NO.
02-0801-1701**

Sheep and Goat Rules of the Idaho Sheep and Goat Health Board. **Ms. Kay** advised that the rule change is to require that all intact rams entering the State of Idaho be tested for Brucella Ovis. This protects the owners bringing the animals into the State knowing they have a healthy ram that will not transmit Brucella Ovis to other rams.

Chairman Rice commented that this rule helps the State of Idaho fulfill a constitutional requirement of the Legislature. The Legislature is constitutionally required to ensure that the State take adequate measures to prevent diseases in livestock.

MOTION: **Senator Harris** moved to approve **Docket No. 02-0801-1701**. Seconded by **Senator Bayer**. The motion carried by **voice vote**.

ADJOURNED: There being no further business, **Vice Chairman Den Hartog** adjourned the meeting at 8:52 a.m.

Senator Rice
Chair

Carol Deis
Secretary