

House Agricultural Affairs Committee

Minutes
2008



MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 10th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representative Brandon Durst

GUESTS: Laura Johnson, Department of Agriculture; Colleen Andrus, wife of Vice Chairman Andrus.

Chairman Trail called the meeting to order at 1:56 p.m and welcomed guests and committee members. Chairman Trail introduced himself, Secretary, Denise Collingham, and Page, Monica Cutler.

Chairman Trail announced that there will be a joint meeting with the Senate Agricultural Affairs Committee, Monday, January 14th, at 1:30 p.m. in Room 240. It will be conducted by PEIGNOIR.

Subcommittee assignments are as follows:

Crops

Representative Bolz, Chair
Representative Stevenson
Representative Patrick
Representative Durst

Livestock

Representative Andrus, Chair
Representative Pence
Representative Shirley
Representative Lake

Administration

Representative Trail, Chair
Representative Chavez

Chairman Trail announced that there will be a Committee Rules Meeting, Wednesday, January 16th, at 1:30 p.m. in Room 240.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:10 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES
Joint Session
HOUSE AGRICULTURAL AFFAIRS COMMITTEE
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 14th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Trail, Vice Chairman Andrus, Reps. Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst; Chairman Gannon, Vice Chairman Heinrich, Senators Schroeder, McGee, Corder, Hill, Siddoway, Stennett, Malepeai

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

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

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

GUESTS: Hon. John van Dongen, Vice President, British Columbia; Hon. Jim Kenyen, Imm. Past President, Yukon Territory.
See sign-in sheet for other guests.

TO ORDER: **Chairman Trail**, presiding, called the Joint Session to order at 1:33 p.m., and requested that representatives from PNWER introduce themselves. He announced that at the next meeting, Wednesday, January 16th, Rules Review will be gone through. At that time minutes from the January 10th meeting will be approved.

Gary Fuhriman, Director of Commodities & Marketing/Manager, Farm Bureau Marketing Association, introduced PNWER members, and gave some history about PNWER. PNWER, (Pacific Northwest Economic Region) is a regional U.S.-Canadian forum dedicated to encouraging global economic competitiveness and preserving our world-class natural environment. PNWER has 17 individual working groups, which consist of: Agriculture, Transportation, Energy I & II, Workforce Development, 2010 Winter Olympics/Tourism, Border Issues, Environment, Health Care, High-Tech, Homeland Security, Water Policy, Trade and Economic Development, Sustainable Development and Telecommunications.

Chairman Trail stated that discussion is open for issues and that the agriculture committee should ask questions at this time.

A question was asked about the problem with soft wood and economics have caused an imbalance in trade. **Mr. van Dongen** stated that one of the key changes is the value of the dollar and has had major impacts on

the industry. The forestry industry has had a major shift and the demand has eased off. He also stated that the Pine Beetle issue is a very serious issue right now. **Mr. van Dongen** stated that the pine beetle showed up about 15 years ago and is moving across British Columbia. There is a plan in place to try and take care of the pine beetle. **Chairman Trail** asked if the pine beetle has come into the U.S. yet. **Mr. Kenyon** stated that he does not think it has. A question was asked about the Water policy and **Mr. van Dongen** stated that environmental expectations are very high in Canada, and that their biggest problem is human sewage into the rivers. **Mr. van Dongen** discussed the future Sewage Regulations.

Senator Gannon asked about the discussions regarding Agricultural issues regarding diseases with cattle. **Mr. van Dongen** stated that agencies, farmers and ranchers need to keep good communication.

Vice Chairman Andrus asked about the energy situation in Canada and **Mr. von Dongen** talked about the amount of energy resources, and about the problem with labor shortages. **Mr. Kettles** discussed the economy of Canada. **Mr. van Dongen** stated that if PNWER was not involved, things would be more difficult.

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.

Michael Cooper, Chief, Bureau of Feeds & Plant Services, presented an update on the Potato Cyst Nematode. A question was asked about what some of the surrounding states are doing for testing. He stated that there have been some budget funding problems, emergency funding was done on a federal level, and a survey is being conducted with other states. Some states have completed the survey and some states are just getting started.

Ian Davis, ISDA and USDA have collected 90,000 samples to make sure and get a handle on the infestation so it will not spread. One of the primary missions is to protect the markets that closed and get them reopened. Trace forward work is in progress and sampling in other states will be offered.

Director Gould, stated that the growers and industry have been great to work with, and that the farmers and community have worked hard to take care of this problem.

Bryan Searle, a farmer/grower from eastern Idaho, whose fields are involved, said that he has had a very positive working relationship with **Michael Cooper**. Also stated that the true source of this infestation will probably never be known.

A question was asked on how long the cleaning program will be before fields are healthy enough to plant again, the fumigation process may take several years.

A question was asked if the grower was getting any assistance with fumigation, The answer was that the Federal government is taking care

of the cost.

Director Gould, stated that the Congressional delegation came up with the money to get this started.

Rep Chavez asked about if the Nematode only likes potatoes. These bugs also like peppers and certain weeds.

A question was asked about seed potatoes and where the seed comes from, best practices suggest only using certified seed. A question was asked about educating farmers more on these issues. State law requires that certified seed be planted. If from out of state, it has to be tested.

Matt Morrison, Executive Director, PNWER is introduced.

**CLOSING
REMARKS:**

Director Gould, thanked all members and guests for attending and discussed briefly the upcoming meeting in Coeur d Alene this year.

Mike Cooper, stated that he had attended the honey bee keepers meeting, and that this industry is in trouble. There are some concerns about infected pollen, as well as the collapse of bee colonys.

Chairman Trail, thanked **Director Gould** and **PNWER** for attending the meeting.

PNWER, thanked the committees for allowing them to give their presentation.

ADJOURN:

There being no further business to come before the committee, **Chairman Trail** adjourned the meeting at 3:39 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS ADMINISTRATIVE SUBCOMMITTEE

DATE: January 16th, 2008

TIME: Upon Adjournment of the Full Committee

PLACE: Room 240

MEMBERS: Subcommittee Chairman Trail, Representative Chavez

**ABSENT/
EXCUSED:** None

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

Subcommittee Chairman Trail called the meeting to order at 1:40 p.m.

Chairman Trail recognized Laura Johnson, Section Manager, Idaho State Department of Agriculture, Tom Schafer, Section Manager, Idaho State Department of Agriculture, Leah Clark, Trade Specialist, Idaho Preferred Program, ISDA, Gary Bahr, Idaho State Department of Agriculture. (See attached complete document of 2008 House Agricultural Affairs Pending Rules-Administrative Rules Review).

**DOCKET NO.
02-0104-0701** **Leah Clark**, Trade Specialist, Idaho State Department of Agriculture, presented the rule changes. This rule change will clarify product qualification requirements for processed products. No fees or charges are being imposed or increased through this rulemaking. Questions arose regarding wine, and meat products.

Chairman Trail asked if anyone in the room wished to testify on the docket. Representative Chavez moved to accept the rule as presented.

MOTION: Chairman Trail moved to approve Docket No. 02-0104-0701 as written and refer it to the full committee. The motion passed on a voice vote.

**DOCKET NO.
02-0214-0701** **Tom Schafer**, Section Manager, Idaho State Department of Agriculture, presented the rule changes. The rule change incorporates by reference the 2007 edition of the National Institute of Standards and Technology Handbook 44, Specifications, Tolerances, and Other Technical Requirements for Weighing and Measuring Devices. Incorporates by reference American Society of Testing and Materials (ASTM) D975-07a, Standard Specification for Diesel Fuel Oils and ASTM D6751-07a, Standard Specification for Biodiesel Fuel (B100) Blend Stock for distillate Fuels. Add definitions for Biodiesel and add a new section containing identification and retail labeling requirements for Biodiesel. Eliminates loaf size restriction for bread to harmonize this rule with Section 71-236, Idaho Code. Comments were made about abbreviations and concerns about definitions not being real clear, specifically 010.02 Biodiesel Blends.

Chairman Trail asked if anyone if the room wished to testify on the docket. Representative Chavez moved to accept the rule as presented.

- MOTION:** Chairman Trail moved to approve Docket No. 02-0214-0701 as written and refer it to the full committee. The motion passed on a voice vote.
- DOCKET NO. 02-0214-0702** **Tom Schafer**, Section Manager, Idaho State Department of Agriculture, presented the temporary Rule change. The change is to confer a benefit to have gasoline and gasoline-oxygenate blend specifications and exceptions to those specifications as adopted under the rules, regulations and Clean Air Act waivers of the EPA in rule to facilitate refiners, distributors and retailers in the use of ethanol in the state of Idaho. Some refiners are reluctant to provide gasoline-oxygenate blends without the waivers and exceptions cited in IDAPA rules.
- Chairman Trail asked if anyone in the room wished to testify on the docket. Representative Chavez moved to accept the rule as presented.
- MOTION:** Chairman Trail moved to approve Docket No. 02-0214-0702 as written and refer it to the full committee. The motion passed on a voice vote.
- DOCKET NO. 02-0301-0701** **Gary Bahr**, Idaho State Department of Agriculture, presented the rule changes. The additional chemical-specific rules will be associated with steps to prevent DCPA from impacting Idaho's ground water in the future. In addition, it updates the incorporation by reference and the abbreviations sections. Questions and concerns were asked and addressed.
- Chairman Trail asked if anyone in the room wished to testify on the docket. Representative Chavez moved to accept the rule as presented.
- MOTION:** Chairman Trail moved to approve Docket No. 02-0301-0701 as written and refer it to the full committee. The motion passed on a voice vote.
- ADJOURN:** There being no further business to come before the committee, Administrative Subcommittee Chairman Trail adjourned the meeting at 2:30 p.m.

Representative Tom Trail
Admin Sub Committee Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS CROPS SUBCOMMITTEE

DATE: January 16th, 2008

TIME: Upon Adjournment of the Full Committee

PLACE: Room 240

MEMBERS:

**ABSENT/
EXCUSED:** None

GUESTS:

**DOCKET NO.
02-0301-0701** **Gary Bahr**, Idaho State Department of Agriculture, explained the rule changes. The additional chemical-specific rules will be associated with steps to prevent DCPA from impacting Idaho's ground water in the future. In addition, to update the incorporation by reference and the abbreviations sections. Discussion followed covering implications if a section of the rule were to be removed (as per Senate Agricultural Affairs Committee suggestion) and implications if this committee were to Accept the rule as presented. Questions arose concerning Dacthal use in terms of what crops it is used on, where it is used, and usage pattern over past few years.

Chairman Bolz asked if anyone in the room wished to testify on the docket. Representative Durst moved to accept the rule as presented.

MOTION: Chairman Bolz moved to approve Docket No. 02-0301-0701 as written and refer it to the full committee. The motion passed on a voice vote.

MOTION:

DOCKET NO.

MOTION:

DOCKET NO.

MOTION:

**DOCKET NO.
02-0610-0701**

MOTION:

DOCKET NO.

MOTION:

DOCKET NO.
02-0633-0701

MOTION:

DOCKET NO.
02-0636-0701

MOTION:

DOCKET NO.
02-0639-0701

Michael Cooper, Idaho State Department of Agriculture, presented the rule indicating that the rule is tied to other states so that all participating states will have the same standards. This makes it easier for interstate and international shipping. The proposed rule will set forth seed potato record keeping requirements for compliance with the USDA National Seed Potato Harmonization Plan, change the title, and make technical corrections. Pat Kole, Idaho Potato Commission, spoke in favor of this rule. Discussion followed in terms of its effect with Canada.

Chairman Bolz asked if anyone in the room wished to testify on the docket. Representative Stevenson moved to accept the rule as presented.

MOTION:

Chairman Bolz moved to approve Docket No. 02-0636-0701 as written and refer it to the full committee. The motion passed on a voice vote.

DOCKET NO.
02-0641-0701

Michael Cooper, Idaho State Department of Agriculture, presented the rule stating that this change will update the incorporation by reference section to reflect the 2008 edition of the Official Publication of the Association of American Plant Food Control Officials (AAPFCO), published in January or February each year and the 14th edition of the Merck Index. These are standard reference manuals for fertilizer control officials for the registration of soil and plant amendments.

Chairman Bolz asked if anyone in the room wished to testify on the docket. Representative Durst moved to accept the rule as presented.

MOTION:

Chairman Bolz moved to approve Docket No. 02-0641-0701 as written and refer it to the full committee. The motion passed on a voice vote.

DOCKET NO.
29-0101-0701

Pat Kole, Idaho Potato Commission, presented the rule indicating that the changes consisted of changing the address of the IPC due to its move.

Chairman Bolz asked if anyone in the room wished to testify on the docket. Representative Stevenson moved to accept the rule as presented.

MOTION:

Chairman Bolz moved to approve Docket No. 02-0101-0701 as written

and refer it to the full committee. The motion passed on a voice vote.

**DOCKET NO.
29-0102-0701**

Pat Kole, Idaho Potato Commission, presented the rule. Changes include to clarify IPC tax calculation and reporting method; to modernize packaging rules; and to make trademarks available for marketing purposes.

Chairman Bolz asked if anyone in the room wished to testify on the docket. Representative Stevenson move to accept the rule.

MOTION:

Chairman Bolz moved to approve Docket No. 02-0102-0701 as written and refer it to the full committee. The motion passed on a voice vote.

ADJOURN:

There being no further business to come before the committee, Crops Subcommittee Chairman Bolz adjourned the meeting at 3:00 p.m.

Representative Darrell Bolz
Crops Sub Committee Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS LIVESTOCK SUBCOMMITTEE

DATE: January 16th, 2008

TIME: Upon Adjournment of the Full Committee

PLACE: Room 240

MEMBERS: Subcommittee Chairman Andrus, Representatives Lake, Shirley, Pence

**ABSENT/
EXCUSED:** None

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

Chairman Andrus called the meeting to order at 1:40 p.m. and a silent roll call was taken by the secretary.

Chairman Andrus recognized Dr. Greg Ledbetter, Dr. Bill Barton, State of Idaho Department of Agriculture, Karen Ewing, Idaho Board of Veterinary Medicine to present the pending rules. John Chatburn, State of Idaho Department of Agriculture, and Christie Sterns, President, Idaho Elk Breeders. (See attached complete document of 2008 House Agricultural Affairs Pending Rules-Livestock Rules Review).

**DOCKET NO:
02.0403.0701** **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. The rule changes updates to incorporation by reference section, adds sections to list reportable and notifiable diseases by name, and make typographical, technical, and grammatical corrections. The rule changes revise the sections for, Incorporation by Reference, Definitions, Abbreviations, NPIP Certificates of Participation, Disposition of EIA Reactors, Foreign Animal and Reportable Diseases and Actinomycosis (Lump Jaw).

A questions was asked regarding Foreign animal and reportable diseases. Are all of these diseases contagious and do they get them by direct contact. Normally it is only from animal to animal, but also depends on the disease.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02.0403.0701 as written and refer it to the full committee. The motion passed on a voice vote.

**DOCKET NO:
02.0417.0701** **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. This rule clarifies the rules governing the movement and disposal of dead animals to make it clear that livestock that are harvested may not be left to decompose, and any variance from the rule must be

approved in writing.

A question was asked regarding if this is for certain parts of the animal. No, and this rule does not cover wildlife or household pets under 100 pounds.

A question was asked is this a federal rule only. Animals that die on federal or state land follow these rules.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02.0417.0701 as written and refer it to the full committee. The motion passed on a voice vote.

**DOCKET NO:
02.0419.0701** **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. This rule updates and clarifies the domestic cervidae rules including the following sections: Official Identification, Inventory Verification, and adds a new section for Visible Identification.

A questions was asked about what a bangle was. It is a unique bangle used for identification that is easily visible.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0419-0701 as written and refer it to the full committee. The motion passed on a voice vote.

**Docket No.
02-0420-0701** **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. This rule upgrades Idaho's brucellosis status from "Class A" to "Class Free". This rule repeals certain requirements on cattle exported from Idaho to reflect this change in status.

A question was asked if there are any states that do not require testing for brucellosis. Testing is required by the USDA in all states.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0420-0701 as written and refer it to the full committee. The motion passed on a voice vote.

**Docket No.
02-0421-0701** **Dr. Greg. Ledbetter**, Idaho State Department o Agriculture, explained the rule changes. This rule updates for importation of animals into Idaho, including the Trichomoniasis, Domestic Cervidae, and Rabies sections for the importation of fish, and makes typographical and grammatical corrections.

A question was asked if the Whirling disease, which is in the Great Lake Region, has been found in Idaho. It has not been detected in Idaho yet.

A question was asked about the PCR testing of Bulls. Is this test more accurate and is it more expensive. Some say it is a more accurate and it is more costly.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0421-0701 as written and refer it to the full committee. The motion passed on a voice vote.

Docket No. 02-0421-0801 **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. This rule updates and clarifies the import requirements for Canadian cattle and bison imported into Idaho including individual animal identification, CAN branding and import permit requirements.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0421-0801 as written and refer it to the full committee. The motion passed on a voice vote.

Docket No. 02-0428-0701 **Dr. Greg Ledbetter**, Idaho State Department of Agriculture, explained the rule changes. This rule establishes facility, record keeping, and movement requirements for livestock dealers, buying stations, and livestock trader lots.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0428-0701 as written and refer it to the full committee. The motion passed on a voice vote.

Docket No. 02-0429-0701 **Dr. Bill Barton**, Idaho State Department of Agriculture, explained the rule changes. This rule adds Polymerase Chain Reaction (PCR), as an official test for Trichomoniasis, requires V branding bulls infected with Trichomoniasis, approves retesting of bulls as a result of inconclusive Trichomoniasis test results and makes typographical and grammatical corrections. The Trichomoniasis testing season begins on September 1st of each year. This rulemaking updates the Trichomoniasis rule and allows for the use of a paint brand to identify infected bulls rather than a hot iron brand.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION: Chairman Andrus moved to approve Docket No. 02-0429-0701 as written

and refer it to the full committee. The motion passed on a voice vote.

**Docket No.
02-0430-0701**

Dr. Greg Ledbetter, Idaho State Department of Agriculture, explained the rule changes. This is a new rule chapter that establishes the following: Certification of soil samplers for nutrient management purposes on cattle operations; Criteria for soil sample collection; and Penalty provisions.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION:

Chairman Andrus moved to approve Docket No. 02-0430-0701 as written and refer it to the full committee. The motion passed on a voice vote.

**Docket No.
46-0101-0701**

Karen Ewing, Board of Veterinary Medicine, explained the rule changes. The proposed rule changes delete an outdated requirement for additional schooling and evaluation at an accredited college of veterinary medicine; incorporate a change in national examination procedures; change when certain documents need to be sent to an applicant for licensure; delete a military waiver provision for licensed individuals that is more restrictive than an applicable statutory provision; clarify filing deadlines for submission of continuing education requirements; increase by two months a licensing eligibility provision; change application procedures for technicians to be more consistent with those for veterinarians; add a clarifying time-frame for animal examinations; add a requirement that the animal patient's name be included along with the owner's name on a prescription; require surgical rooms to be separate, single-purpose rooms to minimize contamination; eliminate unnecessary or redundant information in medical records; add language to incorporate changes in diagnostic testing; establish criteria for a valid veterinary/client/patient relationship in administering drugs to herd animals; change an incorrect citation to a statutory provision; eliminate unnecessary provisions on verification of death of animal; and add a requirement that law enforcement certified euthanasia technicians provide a form signed by the supervising veterinarian.

Chairman Andrus asked if anyone in the room wished to testify on the docket. Chairman Andrus asked if there were any questions from the Committee.

MOTION:

Chairman Andrus moved to approve Docket No. 46-0101-0701 as written and refer it to the full committee. The motion passed on a voice vote.

ADJOURN:

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

Representative Ken Andrus
Livestock Sub Committee Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 22nd, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representative Durst

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 introduced the students from the University of Idaho, Ag Econ Tour that were present for the meeting. He announced that the Sub Committee Rule Minutes will take place at the next full committee meeting. Minutes for January 14, 2008 were approved.

RS17304 **Michael Cooper**, Chief, Bureau of Feeds & Plant Services, spoke on RS17304. This proposed legislation would raise the Nursery License fee from 75.00 to 100.00. \$25.00 of the current fee goes to a research fund for use by the nursery and floral industry. The Department only sees \$50.00 per license. There has been no fee adjustment since 1999. Expenses such as personnel and operating costs, and industry demands for more service, have risen without a sufficient and corresponding rise in revenue. The additional funds will help the Department keep pace with increasing personnel and operating costs.

A question was asked on how much has the industry grown. About 500 to 600 firms in the last 10 years.

A question was asked as to why there had been a request for increase. Expenses and costs have risen.

MOTION: Representative Patrick made a motion to introduce RS17304 to print. All Aye. Motion carried.

RS17308C2 **Michael Cooper**, Chief, Bureau of Feeds & Plant Services, spoke on RS17308C2. This proposed legislation would raise the inspection fees (semi-annual minimum and per ton rate) and change the registration process. New definitions and technical changes will be made, such as a penalty for the distribution of unregistered fertilizer products will be added and the required period of records retention will be made consistent with those in the Feed and the Soil and Plant Amendment laws. A registration system will also be established to develop an inventory of all fertilizer facilities in the state that handle or store fertilizers in bulk.

A question was asked as to where in the bill does it state reason for the increase. It is on Page 4, Page 7 line 14.

A question was asked about additional fees on page 6. These are all penalty amounts.

MOTION: Representative Pence made a motion to introduce RS17308C2 to print. All Aye. Motion carried.

RS17306 **Michael Cooper**, Chief, Bureau of Feeds & Plant Services, spoke on RS17306. This proposed legislation would require that all companies distributing soil and plant amendments within or into Idaho to file biannual reports of all tonnage distributed and pay a .15 cent per ton inspection fee or a minimum \$5 filing fee which ever is greater. The current minimum fee does not cover the cost of processing those reports. Department of Agriculture proposed to amend Section 22-2208, Idaho Code to raise the minimum filing fee from \$5 to \$15 to cover the cost of reviewing and processing the reports.

A question was asked whether this included compost and if this is also an increase. The tonnage fee stays the same for compost.

MOTION: Representative Bolz made a motion to introduce RS17306 to print. All Aye. Motion carried.

Chairman Trail turned the gavel over to Vice Chairman Andrus so he could introduce the next two R.S.

RS17593 **Chairman Trail** explained RS17593. This proposed legislation relates to dogs; amending Chapter 28, Title 25, Idaho Code, by the Addition of a new Section 25-2809, Idaho Code, to provide that the breeding, raising, boarding, producing or marketing of dogs of the herding, working, and sporting breeds by the producer shall be deemed an agricultural pursuit and such livestock; and declaring an emergency. Several questions were asked concerning this bill.

MOTION: Representative Chavez made a motion to introduce RS17593 to print. All Aye. Motion carried.

Vice Chairman Andrus returned the gavel to Chairman Trail.

ADJOURN: Chairman Trail thanked the University of Idaho students for attending the meeting and asked if there were any other matters to be discussed.

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:13 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** January 24th , 2008
- TIME:** 1:30 p.m.
- PLACE:** Room 240
- 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 1:30 p.m.
- RS17588** **Representative Bolz**, presented RS17588. The purpose of this legislation is to create Idaho Ag in the Classroom as a separate entity. The program has been supported in the past with General Fund money and is now in a position to be funded without those funds. Funds from the Agricultural license plate will be deposited in a fund in the State Treasury for distribution to the program. The State has the right to audit the funds at any time.
- MOTION:** Representative Pence made a motion to introduce RS17588 to print. All Aye. Motion carried.
- RS17307C1** **Dave Ogden**, Idaho State Department of Agriculture, presented RS17307C1. This legislation amends Section 69-502 (2) increasing the minimum financial requirement to the definition of commodity dealer; Section 69-503 to increase the minimum financial requirement for Class I and II commodity dealers; Section 69-503 (6) adds clarity to maintaining current ratios and adds requirement to report to ISDA if current ration is not maintained at greater than a 1:1 ration; Section 69-503(7) (a) adds increased financial responsibility for those Commodity Dealers licensed as I & II Commodity Dealers.
- A question was asked what happens to commodity dealers who don't meet the minimum level. Commodity dealers will have to increase or they could risk losing their license. There were comments concerning wording, the increase, and the time frame for implementation.
- MOTION:** Representative Durst made a motion to introduce RS17307C1 to print. All Aye. Motion carried.
- RS17313C2** **Dave Ogden**, Idaho State Department of Agriculture, presented RS17313C2. This legislation amends Section 69-202 (2) increasing the minimum financial requirement to the definition of commodity dealer; Section 69-202 adding a definition for "credit sales contract"; Section 69-

203 (2) adds two classes of warehouse licenses; Section 69-206 (6) adds clarity to maintaining current ratios and responsibility of warehouseman to report to ISDA if current ratio is not maintained at greater than a 1:1 ratio; Section 69-206 (7) establishes the minimum financial requirement for Class I and II Warehouse licenses.

Comments concerning wording, and Chairman Trail recommended that committee members and Dave Ogden have an additional meeting to discuss the wording of RS17313C2.

MOTION: Representative Lake made a motion to introduce RS17313C2 to print. All Aye. Motion carried.

Chairman Trail asked guest from IASCD/ISCC to introduce themselves.

MINUTES: Subcommittee Chairman Trail reported to the full committee that the Administrative Subcommittee sees no opposition in their review of the four administrative dockets.

MOTION: Administrative Subcommittee Chairman Trail made a motion to the full committee to accept the Administrative Rules from the subcommittee meeting January 16, 2008 as printed. The motion carried by voice vote.

Livestock Subcommittee Chairman Andrus reported to the full committee that the Livestock Subcommittee sees no opposition in the review of the ten livestock dockets.

MOTION: Livestock Subcommittee Chairman Andrus made a motion to the full committee to accept the Livestock Rules from the subcommittee meeting January 16, 2008 as printed. The motion carried by voice vote.

Subcommittee Chairman Bolz reported to the full committee that the Crops Subcommittee reviewed eleven crop dockets. The Committee recommend that Docket No. 02-0301.0701 be approved excluding section 102.

MOTION: Crops Subcommittee Chairman Bolz made a motion to the full committee to accept the Crops Rules from the subcommittee meeting January 16, 2008 as printed. The motion carried by voice vote.

PRESENTATION **Steve Miller**, President, IASCD, and **Scott Koberg**, Manager, Ada SWCD, spoke briefly on the Water Quality History in the U.S., Clean Water Act, and history and progress of Idaho TMDLs. See attached agenda for further information.

Chairman Trail thanked the IASCD and announced that Dean Hammel would give an update on Monday, January 28, 2008.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:44 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: January 28th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representatives, Chavez, Durst

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. and a silent roll call was taken by the secretary.

Chairman Trail recognized Dr. Garth Taylor and Dean John Hammel from the University of Idaho.

PRESENTATION **Dr. Garth Taylor**, University of Idaho. Dr. Garth Taylor gave a PowerPoint presentation on the *Financial Condition of Idaho Agriculture* and provided the committee a pamphlet to follow along (see attached copy).

There were comments made about pricing, and the bigger retail stores taking over from the smaller retailers throughout the country.

Dean John Hammel, College of Agricultural & Life Science, presented an 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. Dean John Hammel gave a PowerPoint presentation and provided the committee a pamphlet to follow along (see attached copy).

A question was asked about the new center and if a new site has been selected. They have a number of locations to consider.

A question was asked if there are any time lines on this project. The State Board requires funding and sites be available before this project can be put into place.

A question was asked if it would be possible to put some land on hold. This project involves a number of different agencies and the Department of Lands will be in charge of the land for the development of the center.

ADJOURN: Chairman Trail thanked everyone for attending the meeting and informed the committee of the next meeting scheduled for Wednesday, January 30th at 1:30 p.m.

There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:50 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** January 30th, 2008
- TIME:** 1:30 p.m.
- PLACE:** Room 240
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst
- ABSENT/
EXCUSED:**
- 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. and a silent roll call was taken by the secretary.
- Representative Patrick introduced University of Idaho guests.
- MINUTES:** Representative Bolz moved to accept the minutes of January 10, 2008, as printed. The motion carried by voice vote.
- Chairman Trail announced that minutes for January 22, 2008, January 24, 2008, and January 28, 2008 will be reviewed for approval at the February 4, 2008 committee meeting.
- RS 17728** **Representative Bolz** explained RS17728. The purpose of this legislation is to make changes in terminology of the representatives serving on the Idaho Food Quality Assurance Institute. The original legislation called for "commission members" to be appointed to the institute. Some of the organizations being represented on the institute do not have commissions. The changes will allow for broader representation.
- MOTION:** Representative Lake made a motion to introduce RS17728 to print. On a voice note the motion passed. Motion carried.
- Chairman Trail welcomed Gretchen Hyde from Idaho Rangeland Commission.
- PRESENTATION** **GRETCHEN HYDE**, Idaho Rangeland Resource Commission, spoke briefly on the Statement of Revenue, expenditures and changes. During the last ten years, Idaho has changed dramatically due to rapid growth. Many ranch families are finding it more difficult to stay on the ranch and make a living. A study was conducted by the Uof I, College of Agricultural and Life Sciences, Dept. Of Agricultural Economics. Six communities were visited and focus groups were hosted with IRRC members. The intent was to learn more about their thoughts on the activities and programs developed by the IRRC and their vision for the future of ranching in Idaho. The IRRC is working on taking the recommendations

from the ranchers and incorporating them into the programs.

The educational programs continue to have success in filling teacher workshops and providing new materials.

The IRRC has produced three new television spots. These spots are part of the Care/Share campaign. This campaign is a partnership between the Bureau of Land Management, the U.S. Forest Service, the Idaho Dept. of Lands, the Idaho Dept of Fish & Game, and the IRRC. The IRRC has the leadership role of developing and distributing the materials to various audiences statewide. This campaign is funded by matching grants from these agencies. The ability of the IRRC to continue to create these types of quality spots depends on creative funding options and partnerships.

The IRRC is hoping for the 2008 Idaho legislative support of a new license plate to augment the static budget. Grant funds come with strings that do not always correlate with the mission of the IRRC. Having the ability to get support from Idahoans who love Idaho's "Wild Open Spaces" would be the financial boost we need at this time.

A question was asked about expenses and how the grant money received from the Forest Service was spent. The response was that there was a display put in the visitor center.

A question was asked about federal and state land and if they are paying their own assessments. A portion comes from private.

H0392

Michael Cooper, Idaho State Department of Agriculture, explained the proposed legislation. The Idaho State Department of Agriculture proposes to amend Section 22-2305 to raise the Nursery License fee from \$75.00 to \$100.00. \$25.00 of the current fee goes to a research fund for use by the nursery and floral industry. The Department only sees \$50.00 per license. There has been no fee adjustment since 1999. Expenses such as personnel and operating costs, and industry demands for more service, have risen without a sufficient and corresponding rise in revenue. The additional funds will help the Department keep pace with increasing personnel and operating costs.

MOTION:

Representative Shirley made a motion that House Bill 392 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed.

Representative Pence will be the floor sponsor.

H0393

Michael Cooper, Idaho State Department of Agriculture, explained the proposed legislation. The proposed amendments to the fertilizer law raise the inspection fees (semi-annual minimum and per ton rate) and change the registration process. New definitions and technical changes will be made, such as a penalty for the distribution of unregistered fertilizer products will be added and the required period of records retention will be made consistent with those in the Feed and the Soil and Plant Amendment laws. A registration system will also be established to develop an inventory of all fertilizer facilities in the state that handle or store fertilizers in bulk.

Questions were asked regarding date changes and registration fees.

MOTION: Representative Patrick made a motion that House Bill 393 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed.
Representative Patrick will be the floor sponsor.

H0394 **Michael Cooper**, Idaho State Department of Agriculture, explained the proposed legislation. The Idaho Soil and Plant Amendment Law requires that all companies distributing soil and plant amendments within or into Idaho to file biannual reports of all tonnage distributed and pay a .15 cent per ton inspection fee or a minimum \$5 filing fee which ever is greater. The current minimum fee does not cover the cost of processing those reports. The bill proposes to amend Section 22-2208, Idaho Code to raise the minimum filing fee from \$5 to \$15 to cover the cost of reviewing and processing the reports.

MOTION: Representative Durst made a motion that House Bill 394 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed.
Representative Durst will be the sponsor.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:15 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 4, 2008

TIME: 1:30 p.m.

PLACE: Room 148

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

**ABSENT/
EXCUSED:** None

GUESTS: Please See Attached Guest Sheet

Chairman Trail called the meeting to order at 1:35 p.m. and welcomed committee members and guests in attendance. He reported that the committee secretary was absent and another secretary was filling in for her. Chairman Trail announced that he be informed of any RS's or bills which need to come before the committee in the near future so that they might be scheduled. He then introduced Rich Garber, University of Idaho College of Agriculture representative and called on Mr. Garber to introduce his staff. Mr. Garber took the podium and introduced Dr. Russell J. Qualls, Dr. Russell Allen, and Garth Taylor, Associate Professor, Dept. Of Agricultural Economics, University of Idaho.

Russell Qualls Russell J. Qualls, Ph.D., P.E., University of Idaho, Associate Professor and Idaho State Climatologist with the Department of Biological and Agricultural Engineering gave a PowerPoint presentation on "*Climate Change Impacts on Southern Idaho's Surface Water Resources*" and provided the committee with a pamphlet to follow along. He pointed out that the Snake River Plain area was the subject of this study. Dr. Qualls reported that the Climate Scenarios were based on two parts, namely, (1) Water Supply Modeling in which climate and snowmelt runoff are pertinent and (2) Water Distribution Modeling which includes water right laws, infrastructure, and existing and forecasted water demands. Dr. Qualls proceeded to give a very detailed narrative on various climate scenarios with models based on selected precipitation characteristics: wet, middle and dry and used selected time periods such as "2030" and "2080" for the model scenarios. He included graphs depicting monthly precipitation changes, temperature changes, peak flow ranges and annual unregulated runoff Volume as a function of Annual Precipitation. He clarified that precipitation is the hardest to predict and therefore, the correlation between precipitation values and run-off volume are based on historical data. Dr. Qualls also discussed water allocation modeling with emphasis on the impact of infrastructures such as reservoirs, canals, etc.

He described how water supply versus allocation of water impacts and affects water storage, reservoir capacities, and recharging aquifers. Dr. Qualls responded to questions from the committee by discussing drought impacts, annual flow volumes, water runoffs and their total influx into the aquifer system. He concluded his presentation by summarizing the importance of studying and focusing on the impact of climate changes.

Richard Allen

Dr. Richard Allen, Professor of Water Resources Engineering, Department of Biological and Agricultural Engineering for the University of Idaho was the next speaker. Dr. Allen is a member of the Eastern Snake Hydrologic Modeling Committee as well as a member of NASA/USGS Landsat Science Team (2006 - 2011). He founded the U of I Research Program in using Satellite Technology to map consumptive use by irrigated agriculture. His presentation included topics on the Eastern Snake Plain Ground Water Modeling, Water Consumption via Satellite, Irrigated Systems and Behavior, Interactions with Environment and Future Research on Climate Change Impacts. His PowerPoint presentation included satellite maps of the Snake Plain Aquifer and other areas showing irrigation wells throughout the area and wetlands and riparian systems in the Boise Valley. Dr. Allen discussed the statewide use of satellite maps, their efficiency and high accuracy and the impacts of CREP, transfers, and cropping pattern changes. A Thermal Imaging Map measuring temperature was used to determine how much evaporation is taking place in the impacted area and another satellite map showing center pivots was used to determine water consumption.

Dr. Allen outlined the consumptive irrigation requirements for Idaho which included (1) where and how much can be trimmed from irrigation water requirements, (2) how cropping patterns and water use respond to markets, (3) what new technologies can simplify water management, (4) how farmers can cope with water shortages and (5) where do new storage projects best fit in. Dr. Allen summarized his report by discussing Hydro/Climatology, Biological Impacts and Social/Economic Impacts which he described as a three-legged program to research and provide information to quantify the impacts of climate change on agriculture and water.

ADJOURN:

Chairman Trail thanked Dr. Qualls and Dr. Allen for their very informative and comprehensive reports on climate changes and water issues. He advised the committee they would meet on Wednesday and with no further business, the meeting was adjourned at 3:00 p.m.

Rep. Tom Trail, Chairman

Sherry McNett, Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 6th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representative Bert Stevenson

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. and a silent roll call was taken by the secretary.

RS17741 **Dar Olberding**, Legislative Advisor, Idaho Grain Producers Association, spoke on RS17741. The purpose of this bill is to authorize the Idaho Barley Commission to levy a barley assessment at the first point of sale on Idaho grown barley and imported barley up to a maximum of four (4) cents per hundred weight. This gives the Idaho Barley Commission flexibility to set a budget based on projected production.

MOTION: Representative Durst made a motion to introduce RS17741 to print. All Aye. Motion carried.

RS17754C1 **Dave Ogden**, Idaho State Department of Agriculture, spoke on RS17754C1. This legislation amends Section 69-202 (2) increasing the minimum financial requirement to the definition of Commodity Dealer; Section 69-202 (4) adding a definition for "credit sales contract", Section 69-203 (2) adds two classes of warehouse licenses; Section 69-206 (7) (a) adds financial responsibility requirements for Class 1 and Class 2 licensed warehouses; Section 69-249 adds a requirement that a warehouse must be licensed as a Class 1 warehouse if it writes credit sale contracts.

A question was asked about some of the concerns that certain committee members had raised with this RS. Mr. Ogden has met with these committee members and the issues were discussed.

A question was asked about getting additional information on how many businesses would be impacted by the legislation and to what extent. Mr. Ogden will be sure to get this information for the committee.

MOTION: Representative Bolz made a motion to introduce RS17754C1 to print. All Aye. Motion carried.

RS17755C1 **Dave Ogden**, Idaho State Department of Agriculture, spoke on

RS17755C1. This legislation amends Section 69-502 (2) increasing the minimum financial requirement to the definition of Commodity Dealer; Section 69-503 to increase the minimum financial requirement for Class 1 and 2 Commodity Dealers; Section 69-503 (7) (a) adds increased financial responsibility for those Commodity Dealers licensed as Class I and II Commodity Dealers; Section 69-514 adds a requirement that Commodity Dealers must hold a class 1 license in order to write credit sale contracts.

MOTION: Representative Lake made a motion to introduce RS17755C1 to print. All Aye. Motion carried.

Chairman Trail thanked Mr. Ogden for his presentation and stated that these RS's would get scheduled for bill hearings.

RS17853 **Chairman Trail**, explained the proposed legislation. This legislation will make, "Milk: the Official Drink of Idaho!" **Representative Durst**, gave a brief summary of this new bill. Representative Durst spoke about the importance of milk being part of a healthy diet and the importance for children to have milk in the school program.

A question was asked about how many states had a state beverage. Representative Durst will research this and get the information.

MOTION: Representative Chavez made a motion to introduce RS17853 to print.

PRESENTATION **Stan Boyd**, Department of Agriculture Sheep Commission, gave a presentation on the Annual Report of Sheep, Lamb and Wool promotion, Research and Education Act. A pamphlet was given to each committee member (see attached copy).

There was discussion about labeling of wool, monies for promotion, education and research, and sheep grazing of ranchers and farmers fields.

PRESENTATION **Frank Muir**, State of Idaho Potato Commission, gave a presentation on the Legislative Financial Report. A booklet was given to each committee member (see attached copy).

A question was asked if the demand for potatoes was up, it is starting to go up around the world.

A question was asked about sales of potatoes in Idaho versus out of state. The decision of what sells in the stores comes from a Corporate level. Hopefully more stores will carry and sell Idaho Potatoes.

A question was asked about containment of the potato cyst nematode (PCN). Is there still a fear of this problem? Yes, but the commission feels confident that it is under control. Representative Chavez thanked the State of Idaho Potato Commission on behalf of the Northern part of Idaho for the openness of this situation.

A question was asked about the length of time that potatoes could be stored. Potatoes can be stored up to a year.

PRESENTATION **Dar Olberding**, Legislative Advisor, Idaho Grain Producers Association, gave a presentation on Idaho Barley Acres & Production, and rules for the control of Air Pollution in Idaho. A pamphlet was given to committee members (see attached copy).

A question was asked about how fees and the burn process will work. The program will be regulated by the DEQ.

A question was asked what the fee would be used for. Funding would be used for personnel.

A question was asked if there is an approval process for time of burning. Our program is modeled after the Nez Perce Tribal program, which is a very sophisticated burning program.

A question was asked about ruled burns. For ruled burns, the EPA approves when burns can continue.

Concerns were brought up about burning in certain parts of Idaho because of weather conditions, such as wind.

Chairman Trail thanked Dar Olberding for his presentation and announced that the next meeting would be on Tuesday, February 12 th at 1:30 p.m.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 2:47 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 12th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** 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 1:33 p.m. and a silent roll call was taken by the secretary.

S1305

Dr. Greg Ledbetter, Administrator, Animal Industries, Idaho State Department of Agriculture, explained the proposed legislation. The purpose of this legislation is to create an \$800 per company fee, for manufacturers of animal drugs and veterinary biologics. This fee will allow the Idaho State Department of Agriculture to maintain the standard of animal disease surveillance and control (for Idaho's livestock industry and animal owners), by providing a broad-based dedicated funding source to stabilize the Livestock Disease Control and T.B. Indemnity Fund.

A question was asked if the proposed legislation would add support for the animal disease control fund, and the response was yes, it will.

A question was asked regarding how this legislation was brought about; the response was that animal industries divisions revenue comes from branding fees. Fewer brands are being done which reduces revenue. Grants have been decreasing as animal population continues to grow, animal care complaints are up, and in general, costs are increasing.

Dr. Barton, Idaho State Department of Agriculture, spoke briefly about fees to manufacturers of animal drugs and why this proposed legislation will benefit the ISDA. In response to questions from the committee, he stated fees will affect manufacturers only, not wholesalers, and he does not anticipate any negative impact to smaller manufacturers. Further, **Director Gould** assured the committee that the Governor supports a matching general fund appropriation if this legislation passes.

Vickie Smith, Executive Director, Board of Veterinary Medicine testified that the board is neutral on this bill.

Clyde Gillespie, Private Veterinarian from Burley, Idaho, spoke briefly to

the committee about smaller pharmaceutical manufacturers and how this bill would affect them, stating that the funding should be come out of the general fund and not raise the fee for manufacturers.

Josh Tewalt, Cattle Association, testified to the committee; it is his opinion that the real dispute involves the remedy for supplement income. The Cattle Association supports the bill.

Wally Butler, Range and Livestock Specialist with the Idaho Farm Bureau, testified that his organization supports the bill.

MOTION

Representative Lake moved to send Senate Bill 1305 to the floor with a do pass recommendation. Representative Durst made a substitute recommendation.

Chairman Trail called for the question of the substitute motion for **Senate Bill 1305**, to be sent to the floor with a **do pass** recommendation. The motion carried by a voice vote. Vice Chairman Andrus wished to be recorded as voting nay. Chairman Trail will be the floor sponsor.

H0484

Dar Olberding, Legislative Advisor, Idaho Grain Producers Association, explained the proposed legislation. The purpose of this bill is to authorize the Idaho Barley Commission to levy a barley assessment at the first point of sale, on Idaho grown barley and imported barley, up to a maximum of four (4) cents per hundred-weight. This gives the Idaho Barley Commission flexibility to set a budget based on projected production.

Mr. Olberding responded to questions from the committee, stating that all grower areas are represented and the commission has participated in meetings around the state regarding this bill.

Upon request, **Evan Hayes**, Chairman of Barley Commission , explained page 2, line 6, referring to refunds on the proposed bill.

Evan Hayes, Chairman of Barley Commission, provided a handout for all committee members regarding funds (see attached copy).

Frank Sullivan, Brett Jensen, Lewis Newman, and Burton Allen, farmers from eastern Idaho, testified in opposition to this bill. Their concerns include additional costs for power, fuel and fertilizer. They would like the Barley Commission to keep them better informed, and requested more representation.

Lewis Newman, a farmer from eastern Idaho, read a letter from Bryan Eagan, opposing this bill. (See attached copy).

Matt Gillings, President of Idaho Grain Producers and a farmer from Idaho Falls; **Clark Koffman**, farmer from Filer; and **Scott Brown**, a farmer from the Soda Springs area, all testified in support of the bill.

There was discussion regarding a possible referendum to the bill.

MOTION:

Representative Lake moved to send **House Bill 484** to the floor with a **do**

pass recommendation. The motion passed by a voice vote. Vice Chairman Andrus wished to be recorded as voting nay. Representative Patrick will be the floor sponsor.

Chairman Trail thanked everyone for attending, and informed the committee that Representative Anderson's presentation on Quagga Mussels will be re-scheduled for Thursday, February 14th.

ADJOURN: There being no further business to come before the committee, Chairman Trail adjourned the meeting at 3:33 p.m.

Representative Tom Trail , Chairman

Margaret Major, Secretary
(For Denise Collingham)

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 14th, 2008

TIME: 1:30 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Vice Chairman Andrus, Rep Shirley, Rep Chavez, Rep Durst

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

Chairman Trail called the meeting to order at 1:55 p.m. and a silent roll call was taken by the secretary.

Chairman Trail informed the committee that Page Monica Cutlers last day will be February 18th and thanked her for all her hard work. He introduced Mr. Dave Ogden.

H0486 **Dave Ogden**, Manager Warehouse, Idaho State Department of Agriculture, explained the proposed legislation. This legislation amends Section 69-202 (2) increasing the minimum financial requirement to the definition of Commodity Dealer; Section 69-202 (4) adding a definition for "credit sales contract"; Section 69-203 (2) adds two classes of warehouse licenses; Section 69-206 (7) (a) adds financial responsibility requirements for Class 1 and Class 2 licensed warehouses; Section 69-249 adds a requirement that a warehouse must be licensed as a Class 1 warehouse if it writes credit sale contracts.

MOTION: Representative Patrick made a motion that House Bill 486 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Trail will be the floor sponsor.

H0487 **Dave Ogden**, Manager Warehouse, Idaho State Department of Agriculture, explained the proposed legislation. This legislation amends Section 69-502 (2) increasing the minimum financial requirement to the definition of Commodity Dealer; Section 69-503 to increase the minimum financial requirement for Class 1 and 2 Commodity Dealers; Section 69-503 (7) (a) adds increased financial responsibility for those Commodity Dealers licensed as Class I and II Commodity Dealers; Section 69-514 adds a requirement that Commodity Dealers must hold a class 1 license in order to write credit sale contracts.

A question was asked about how many Commodity Dealers would be impacted. One Commodity Dealer is quitting business and the others don't have a problem with this bill.

MOTION: Representative Lake made a motion that House Bill 487 be sent to the floor with a do pass recommendation. By a voice vote, the motion passed. Representative Lake will be the floor sponsor.

Dave Ogden, thanked the committee for all their hard work.

Chairman Trail informed the committee that the minutes will be approved at the next meeting on Monday, February 18th at 1:30 p.m.

ADJOURN: There being not further business to come before the committee, Chairman Trail adjourned the meeting at 3:33 p.m.

Representative Tom Trail
Chairman

Denise Collingham
Secretary

MINUTES

AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** February 18, 2008
- TIME:** 2:15 p.m.
- PLACE:** Room 240
- MEMBERS:** Chairman Trail, Vice Chairman Andrus, Representatives Shirley, Pence, Durst, Chavez, Stevenson, Lake, Bolz, Patrick
- ABSENT/
EXCUSED:** None
- GUESTS:** Please refer to the attached committee sign-in sheet.
- MINUTES:** Chairman Trail called the meeting to order at 2:15 p.m.
- Representative Chavez moved to accept the minutes of February 12, 2008, and February 14, 2008, as printed. The motion carried by voice vote.
- HB 441** Representative Bolz explained that this legislation will revise membership provisions relating to the Commissioners of the Idaho Food Quality Assurance Institute, and will delete obsolete verbiage. The original legislation called for a commission member to be appointed to the institute. Rep. Bolz explained that some of the organizations represented on the institute do not have commissions. The changes will allow for broader representation.
- MOTION:** Representative Durst made a motion that **HB 441** be sent to the floor with a **do pass** recommendation. The motion was passed by voice vote.
- PRESENTATION:** Rick Waitley, Food Producers, gave an overview of "Ag in the Classroom." Milk should be an important part of the school's wellness policy, as school is where many students get much of their nutrition for the day. Even with dairy's strong nutrition position, the growing rate of childhood obesity is shaping a new nutrition environment; one that is more dynamic, unpredictable and punitive than ever before, and affecting what food and beverages can be sold in the schools.
- Mr. Waitley discussed the Idaho Dairy Products Commission Financial Statements from December 2006 and 2007. The Commission is a self-governing agency of the State of Idaho and does not receive General Fund appropriations. Except for minor amounts from interest and miscellaneous receipts, the Commission is funded by a mandatory assessment of 10 cents per hundred-weight of milk produced by Idaho dairy farmers.
- HB 426** Representative Bolz explained the purpose of this legislation is to create

“Idaho Ag in the Classroom” as a separate entity. The program has been supported in the past with General Fund money and is now in a position to be funded without those funds. Idaho Ag in the Classroom is financed by the purchase of Agriculture License plates.

Monies from the Agricultural license plate will be deposited in a fund with the State Treasury for distribution to the program. The State has the right to audit the funds at any time.

MOTION: Representative Chavez made a motion that **HB 426** be sent to the floor with a **do pass** recommendation. The motion carried by voice vote.

PRESENTATION: Deana Sessions, Dairy Products Commission, explained how the commission used 2007 investors' funds to reach consumers regarding dairy products.

She explained that the Idaho Dairy Council staff works closely with the Idaho Medical Association, the Idaho Family Physicians, the Idaho Dietetic Association and the Idaho Pediatric Association. One-on-one meetings, group learning sessions and presentations by IDC staff, educate our health professional partners about the health benefits of dairy products and ultimately, the information is communicated to Idaho consumers as part of their interaction with the healthcare community.

HB 485 Representative Durst presented HB 485. This legislation will name “Milk” as the official drink of Idaho.

MOTION: Representative Chavez made a motion the **HB 485** be sent to the floor with a **do pass** recommendation. The motion carried by voice vote. Representative Stevenson asked to be recorded as voting nay.

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

Shirley Scott
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 20, 2008

TIME: Upon Adjournment

PLACE: Room 240

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

**ABSENT/
EXCUSED:**

GUESTS: Joyceanne Fick, Board of Veterinary Medicine

Dr. Jodi Johnson Maynard
Associate Professor, Soil Management, University of Idaho

Chairman Trail called the meeting to order at 2:14 PM.
All members present. The Chairman introduced Margaret Major, and in turn, each Committee member introduced themselves.

H 415 Proposal to amend the existing statute, to authorize the Board of Veterinary Medicine to employ an executive director and other support staff as needed, and provide for the compensation of these employees. This amendment will allow the Board to attract and retain qualified staff. No further appropriations are required to fund the position(s). A statement from Ms. Fick is attached.

MOTION: Representative Bolz moved to send **H 415** to the floor with a **DO PASS** recommendation. Representative Andrus will sponsor the bill.

A brief recess was called, pending the arrival of the next guest. Chairman Trail reconvened the meeting and introduced Dr. Jodi Johnson Maynard, who conducted a presentation on Carbon Sequestration.

Two hand-outs were distributed to committee members and are attached. The white paper attachment (A) supports the slide presentation given by Dr. Johnson Maynard.

Dr. Johnson Maynard explained why the focus today was carbon, not other greenhouse gases. She reviewed the Gas Potential Chart, and explained that nitrous oxide and methane are concerns in agriculture. There was discussion among committee members and the presenter about the impact of methane on the tundra, denitrification, and the impact of fertilization with animal manure sources as a factor in the release of N₂O.

The Global C Cycle was presented. Fluxes from the atmosphere-to-soil pool are about 60% to soil, and 62% to atmosphere. Inquiries were made regarding available data on native carbon in soil historically, the impact of significant volcanic eruption and any current data on Idaho N₂O levels. There is no historical data, but it is reasonable to assume past equilibrium. Dr. Johnson Maynard acknowledged high input into the atmosphere following significant volcanic ash releases. She stated there are currently no measurements of N₂O across Idaho.

She reviewed annual fluxes and the rate of flux from different sources, and explained that the flux that is easiest to manage is soil/atmosphere. The C Storage diagram was presented. A question was raised regarding why California is not considered a positive soil storage system, given their extensive irrigation development. Dr. Maynard acknowledged that irrigation systems can, in fact, sequester carbon in some environments but it is not seen globally.

The Ag C Loss diagram was presented, with examples of agricultural practices involved in the inadvertent removal of biomass, followed by recommended practices to reverse the process.

The Chairman opened discussion about the Chicago Climate Exchange and made comparisons between projects in Iowa and the European Union. Potential values as income to the agricultural community were reviewed, and also the results of a study by the Idaho Advisory Committee, showing potential capacity to sequester carbon in our soil.

The question of cost/benefit ratio was raised, and Dr. Johnson Maynard cited an existing 10-year no-till project that is not yet breaking even (PNSWDA Entergy Seed Association) but noted that management costs must be included in the equation.

She further noted that Entergy was self-monitored and feels an agency must be identified for monitoring and verification. Discussion continued regarding possible legal issues, reliable monitoring tools, offset credits and establishment of reserves.

Chairman Trail reminded the committee that U.S. Senator McCain sponsored a bill before Congress on greenhouse gases and capping. The Chairman cited a Spokane no-till project and other small efforts, and reiterated that protocols and data capture were key. Dr. Johnson Maynard agreed, but pointed out that there was little incentive to develop the protocols at the State level, as they were already in development at the Federal level.

Vice Chairman Andrus inquired, should Idaho become involved in the Chicago Exchange Program and see benefits, what parties would pay into it? Dr. Johnson Maynard explained that industries would have two options: to reduce emissions or purchase offset credits.

In summary, carbon sequestration has been demonstrated and quantified. Agricultural projects have been developed and traded, and these initiatives offer many other benefits, including improved soil and water quality and protection of wildlife habitat. Idaho currently needs to determine which potential projects to develop; what can be stored, and in what regions and situations. Ultimately, Idaho needs to establish certified cropping regions that can be traded on The Chicago Carbon Exchange.

ADJOURN:

The Chairman and committee thanked Dr. Jodi Johnson Maynard.

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

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 26, 2008

TIME: 1:30

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representatives Lake and Patrick

GUESTS: Please refer to the attached committee sign-in sheet.

MINUTES: Chairman Trail called the meeting to order at 1:30 p.m. and introduced the first of three presenters for this afternoon.

PRESENTATIONS: ISDA International Southeast Asia Update, Eddie Yen

Laura Johnson, Section Manager with the Idaho State Department of Agriculture, introduced Mr. Yen, our guest from Taipei, Taiwan. Mr. Yen stated that his main job is to promote new-to-market companies and products, and in this regard he planned to share several good stories. Table grapes are a growing industry in Idaho. Previously California was the only state promoting the table grape and now we see more and more Idaho farmers getting into this business. Last August Mr. Yen had the opportunity to visit an organic farm and the taste of the product was great. He shared a story about a successful promotion of white peaches from California. In Chinese culture, white peaches are traditionally thought to give good health and longevity. The California project was 8 or 9 years in development, and now accounts for 80% of white peach imports to Taiwan, from one company. The Idaho table grape industry has the same potential, with support from the agricultural department.

Ms. Johnson, working with the USDA, supported a large promotional project in Taiwan, that included natural pork, Kobe beef and tortillas, all from Boise companies. Twenty one (21) western-style restaurants and one hotel chef ran the promotion and it received heavy media attention. There were fifty five (55) newspaper reports featuring Idaho chefs, recipes and products, as well as a radio broadcast in English. A reporter with a popular Taiwanese magazine asked Mr. Yen if he knew how to cook Idaho potatoes. She came to his home to sample, and photograph, his cooking. The result was a large magazine spread, and Mr. Yen distributed copies of the article to the committee. It was a fun project that he hopes to repeat next Fall. He expressed his thanks to Ms. Johnson for her support to this endeavor. He reported similar success stories in Macau and Hong Kong, promoting fresh cut potatoes for french fries and mashed potatoes.

Mr. Yen ended his presentation by stating that Idaho is very lucky to have the very best agricultural marketing effort in the United States, and that he appreciates the support and strong communication lines with the Department of Agriculture, Ms. Johnson's office. He is certain that he will have many more good stories to share when he returns.

Friendly discourse among the committee and Mr. Yen ensued, regarding his cooking and the magazine layout. The Chairman thanked Mr. Yen, stating he looked forward to his next report.

Sugar Beet Association; Mark Duffin

Mr. Duffin acknowledged the University of Idaho's research and extension support as an important partner, and presented the association's financial report. The report is attached.

Sugar beet production is down from last year, due to a number of factors. Year 2006 showed record high yields, continuing a three (3) year trend contributed to ideal growing weather. This resulted in excess inventory. Fewer acres were planted in 2007 with the goal of reducing that excess inventory, and reduced acreage will be maintained to that end.

Mr. Duffin explained why revenue is down from 2006. The market is regulated by the USDA to control overall supply and demand. Prices are depressed. The 2005 payment was higher than normal due to hurricane activity, and resulted in a price spike. The 2007 crop has not been fully processed, but will be down. The decline is troublesome to growers. There are a number of challenges; one is competition for land from dairy, wheat and corn interests. Of critical concern are water issues, specifically, the ground and surface water dispute. Statewide aquifer planning and management issues are major concerns.

The association looks forward to renewal of the US Farm Bill, endorses both versions under consideration, and hopes to see resolution on the bill by the March 15th deadline. Key elements include:

- an increase in the sugar loan rate
- retains the current inventory management program, rather than subsidy payments to growers
- attempts to balance supply and demand
- sets the minimum allotment at no less than 85% of production.

American growers are currently residual contributors to our market. Existing policy is committed to foreign growers and those obligations must first be met. Once met, the USDA determines how much demand is left, and our growers fill that market. Imports keep increasing. We are the largest sugar importing country in the world. It is a highly managed, not free, market.

The new bill will give our growers 85% of the market. If our imports exceed demand, the USDA can divert it into ethanol programs.

In summary, Mr. Duffin expressed a positive outlook. There are ever-improving seed varieties and agricultural practices. This year, Round-up

Ready sugar beets will be planted in Idaho. Michigan already went forward with this product and it went well. Advantages include less herbicide, decreased fuel use, a smaller carbon footprint and less field labor.

The committee raised questions regarding sugar beet byproducts; potential re-entry of Cuba into the marketplace, and trade with Mexico.

Beet pulp is in high demand for cattle feed. Betaine is an enzyme used for fish food and other animal food supplements. Mr. Duffin also addressed a question about nematodes, explaining that the issue is different than the potato nematode. For sugar, it only affects the yield; the product is 99.99% refined. Management is costly with fumigants, so they are looking for biocontrols such as radish seed. It was asked if crop rotation helps, and Mr. Duffin responded that, yes, a 3-year rotation is recommended.

Mr. Duffin explained that prior to Fidel Castro's leadership, Cuba was a major exporter of sugar cane and that the industry was watching this carefully, but did not feel there was an imminent threat. Committee comments included that Cuba currently imports sugar, their refineries are in poor repair and cane fields stand empty.

An inquiry was made regarding trade conditions with Mexico under NAFTA. Mr. Duffin explained our current trade dispute, as Mexico intends to increase production and imports into this country. The statutes in place only allow formal dispute after the market is flooded, so the industry is attempting to resolve issues through a task force to create a common sugar market. It has been met with some resistance from the (federal) administration, concerned about possible impact to other commodities.

There was discussion regarding a lawsuit filed by several "green" groups against the USDA for failure to conduct adequate research, but no injunctions are in place against growing GMO crops and the plan is to proceed with 95% of the Idaho crop from a GMO source.

Chairman Trail thanked Mr. Duffin for his comprehensive report, and welcomed our next guest.

Apple And Cherry Commission, Candi Fitch

Ms. Fitch announced a small market report; the cherry crop was only 30% of the normal crop due to a late spring frost. The cherry commission budget is smaller, but overhead remains the same, so it was decided to reduce cost by allowing the commission to pay rent. This budget does not change much from year-to-year. Most of the fund goes to northwest cherry promotions, to compete with Washington and Oregon. Budgeting is higher this year, hoping for a better season. Monies from the Northwest Cherriers were not reported in time for this budget, so those numbers are not reflected in this report.

Ms. Fitch reported a significant reduction in demand for Idaho apples in the marketplace. The committee inquired and commented on possible

contributing factors. The lack of a legal labor force was cited by Ms. Fitch as a pressing issue. Price competition from China is a major cause of market loss, as well as regional competition and distribution practices. Variety available to consumers, and also seasonal availability for Idaho apples, are possible factors.

Promotions are now only presented locally. The annual Women's health walk previously featured Washington apples, and now Idaho apples are provided to the event. A promotional media release is planned for this Fall. The commission now participates in "Ag in the Classroom" and continues to receive requests from school children. The commission still provides representation to national organizations. It continues to contribute \$14,000 to the University of Idaho research organizations. Monies not utilized roll over into a reserve for up to two years.

A point of history was raised: in 1896, the second leading apple growing area was near Pullman; about 20,000 acres. Then irrigation was introduced to the area and the comparative advantage was lost.

The Chairman thanked Ms Fitch for the informative presentation, and for the complimentary apple pie provided to the committee. He announced that the committee secretary would clear the calendar on March 4th, to allow for an off-site tour of the Interstate 84 West Corridor projects in Nampa and Meridian.

ADJOURN:

There being no further business before the committee, Chairman Trail adjourned the meeting at 2:42 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: February 28th, 2008

TIME: 2:00 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representatives Lake, Shirley and Durst

GUESTS: Please see attached sign-in sheet

PRESENTATIONS: Meeting called to order at 2:00 p.m. Representative Chavez moved to approve all minutes from 1-16 through 2-26 and complimented the secretary on the quality of the minutes, as did the Chairman. The Chairman notified the committee that the house bill addressing warehouses and commodities was held in committee and expressed his disappointment. He requested a show of hands for the bus tour on March 4th, and welcomed his first speaker.

Idaho Farm Bureau: Range Management and Fire
Wally Butler, Range and Livestock Specialist

Mr. Butler put together a presentation a few weeks ago for the Senate Agricultural Committee, and this committee requested the same program. It came about as the result of a legislative tour and a desire to bring in the perspective of conservation management, and to show that range management and conservation management go hand in hand. Mr. Butler made the distinction between conservation and preservation, explaining that conservation organizations support responsible stewardship of our land and resources, while preservationists advocate removing it completely from access. Mr. Butler narrated a slide presentation, demonstrating the effects on rangeland from the Murphy Complex Fire in July, 2007. In areas where fire temperature was low, the sage and rabbit brush are already coming back. In areas that were grazed at a low rate and the blaze was hot, little growth is expected to come back on its own. He presented several slides illustrating the relative difference between the affect of the fire on BLM land and private range land. He then turned over the presentation to the next speaker.

Idaho Department of Agriculture:

Role of the Department in Range Management
Ron Kay, Range Management Specialist

Mr. Kay has been with the department for over a year, after thirty years with the BLM; sixteen of those years in the Idaho range program. His responsibilities include dealing with grazing issues on public lands, and with forest service lands. He monitors fire activity, bringing together ranchers and agencies as needed to plan the recovery process.

Mr. Kay addressed grazing considerations for naturally recovering wildfire areas. Existing rules require resting these lands for two growing seasons, but some areas are ready sooner. Many of the fires in the state burn fairly quick and cool, and root systems for grasses remain intact. The Murphy Complex is an example of those conditions, but there are other areas to consider: black pine, sagebrush landscapes and cheatgrass areas, that may respond differently. Over time, the component has changed from brush and grass, to more grass. The bulk of funding goes to suppression, and stabilization of fuel loads. The program is now looking at how livestock grazing can help reduce fuel loads. The Fish and Game department, BLM and the University of Idaho will look at the affect of livestock on fire activity and outcomes, and the use of targeted grazing.

Mr. Kay presented a series of slides demonstrating different conditions and fire outcomes. It is his conclusion that grazing reduces fuel load. A lack of grazing for too long can result in "wolf plants" (plants that are overgrown and too tough for grazing), and resulting high fuel loads. Some areas appear to be ready within eight weeks; possibly these areas were re-seeded previously. Some native sites may also recover quickly without assistance.

Committee members inquired if some burnout areas are taken over by invasive species, and also, if the slides are representative. Mr. Kay responded that one purpose of re-seeding is to create competition with invasive species and see a good, balanced recovery. Some areas may not have had desirable species prior to the burn, and grazing should begin quickly to reduce fuel build up. Some sites have recovered with all the desirable pre-fire species and are ready to be grazed. The slides presented do reflect a typical response. Generally, our areas are very productive and good grasses come back.

There is debate surrounding seed mixes; and what those mixes should be to achieve the correct balance is being revisited. Discussion ensued regarding the expense of re-seeding projects, and also the source of labor for the projects. Mr. Kay acknowledged the cost is high. Labor comes from a variety of sources: across agencies, volunteer efforts, and includes the ranchers themselves. When asked how quickly livestock can return to land affected by the Murphy Complex, Mr. Kay responded that the department is impeded by the two-season rest regulation, but some areas are ready now. The BLM has entered a protest to allow grazing in those areas sooner.

A question was raised regarding re-establishment of the ecosystem, and whether native wildlife is returning to the burnout area. Mr. Kay responded that some species may not return, especially those that require sage for habitat. At some point, a wildlife inventory will be conducted.

Mr. Butler interjected that a number of questions will be answered in the course

of the remaining presentation, and introduced the next speaker.

University of Idaho: Economics of Range Management
Neil Rimbey, Extension Economist

Mr. Rimbey provided an analysis of the economics of wildfire and recovery efforts, to include the stream of benefits and costs over time (see attachment). He hopes to see benefits from new seed mixes in recovering the cost of re-seeding. Faster grazing access definitely increases cost recovery. These efforts need close examination on a case-by-case basis. He reviewed the impact of fire to ranches, counties and businesses in a community. He noted that one ranch may now support more than one family. He further noted that it is difficult to put a dollar value on lost historic landmarks and properties. He went on to state, however, that not all fire is bad; it can be a manageable tool and public education in this regard is necessary.

Nature Conservancy: Conservation and Range Management
Lou Lunte, Associate State Director

Mr. Lunte has been with the Nature Conservancy and in Idaho, for twenty years. He has a passion for stewardship of the land, and will show how the mission of the Conservancy is compatible with rangeland management.

The organization has been in Idaho for forty-three years and currently holds 12,000 acres. It does pay tax on properties but they are open to the public. The NC partners with business in traditional rural economies. Often, worked lands are lowlands, areas where there is water and wildlife; and these areas are also attractive for development. Mr. Lunte presented the Flat Ranch project- a rotational grazing program. The project includes thirteen pastures, three of which are riparian. This is a successful project that meets NC goals for providing wildlife habitat.

He noted that today's conversation is largely about fire and rangeland, and stated there is much common ground between ranchers and conservationists. He stated that healthy native range is productive, more resistant to invasion and resilient to disturbance. He further asserted that we are in crisis: we have lost much of our native rangeland to invasive species and increasing fire frequency, with no time to recover.

He addressed the need for prescribed fire. Idaho is losing some native rangeland due to over protected areas and juniper expanding beyond its historic range. The juniper reaches a density where it then pushes out native forage and wildlife species. The focus should be on conserving native range with an emphasis on keeping them healthy, and restoring some degraded rangelands, very strategically.

He outlined principles to be applied, in very site-specific approaches. He stated there is variability in how a given area responds to fire. The approach needs to be adaptive, not rigid. He recommended employing pragmatic use of non-native species. Idaho is a leader in cooperative weed management between organizations; partnerships have been very successful and these efforts should continue. There are excellent examples of restoration collaboration. A local sage grouse working group helped conduct an assessment, brought in funding

and assisted in checking the post-restoration effort response.

Mr. Lunte presented the Crooked Creek Forage Reserve. He reviewed methods such as grass banking, flexibility in the timing of returning livestock to ranges, and range sharing. Burned out ranchers may lose all grazing areas for several years; they can utilize grass banks and shared areas while they recover home range. These initiatives match NC goals overall, the landscapes stay healthy and support native species like the sage grouse. More monitoring is needed to truly understand how these systems are responding. Also needed are: targeted research, continued collaboration and an increased supply of local native plant material.

Mr. Lunte shared a great success story, wherein the NC was able to assist a young ranching family, with mutual benefit. The NC brought in salmon dollars to place an easement on the ranch property that, in turn, allowed the family to expand their operation.

The Chairman thanked Mr. Butler and The Farm Bureau for putting this program together, stating it not only gave a better picture of the damage and tragedy these fires can cause, but also of the encouraging collaborative efforts underway.

ADJOURN: There being no further business, the Chairman adjourned the meeting at 3:14 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 6th 08, 2008

TIME: 2:09

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Durst

GUESTS: please see attached sign-in sheet

BILL #: SCR 130: Idaho Urban and Rural Economies; Farm City Week

Representative Bolz presented **SCR 130**, a proposal to establish an Idaho Farm City Week. There is much interdependence between the agricultural and urban communities, and the emphasis of this initiative is to continue to build collaboration between the two entities. Ms. Laura Johnson, ISDA, will coordinate related educational outreach programs and activities. Representative Bolz presumes that our state Farm City Week will coincide with the existing national program of the same focus. He anticipates involvement from the Future Farmers of America, 4-H clubs and other urban student groups..

MOTION: Representative Patrick moved to send it to the floor with a **DO PASS** recommendation.

PRESENTATION: Idaho Wheat Commission Report
Blaine Jacobson, Executive Director

Mr. Jacobson presented a status report on the wheat industry, including factors contributing to the current high costs. Growing global demand, lost acreage to competing grains and urban development, and crop failures all affect the market value. (See attachment)

World trade is increasing and usage is exceeding production. Growth in developing regions, particularly in Africa and Asia, brings more consumers to the table and with higher incomes. There is significant growth in middle class households, and these families are trading up to higher proteins. The resulting increased demand on grain also represents grain used for livestock feed to meet the growing demand for animal protein. There are more people, with more income, and they are able to eat better.

We are in a major inflationary cycle. Food costs are projected to double over a five year period. Lack of available land is a current impediment to production. We have a loss of land to suburban development. The amount of land taken for development is twice the amount of the corresponding population growth; land taken away from growers for a population with increasing grain demand.

Wheat growers are also competing for land with soybean and corn producers, crops that surpass wheat on the world market largely because of GMO advances. Further competition for land comes from bio-fuel production activity.

Available supply is also affected by recent weather events. The past year saw significant crop failures in Argentina and Australia, and production was also down in Canada. Our state supply is mostly winter wheat due to spring weather conditions, 60% grown on irrigated land. It is important to note that our national reserve supply on-hand is extremely low, and a weather event would drive prices up.

The commission is funded by the wheat tax, and funds are appropriated to market development, seed variety research and development, and education. In response to a question from the committee, Mr. Jacobson explained that roughly \$628,000 in funding goes to variety development. Idaho leads the country in yield per acre, due to varieties introduced by The University of Idaho.

Discussion ensued regarding the use of a Prop Cam; a propeller jet mounted camera. It allows a grower to monitor his properties very closely. Photos identify nitrogen-deficient areas and by employing GPS coordinates, allows application of fertilizer only to those areas where it is needed.

Domestically, General Mills is our biggest customer. Currently, the American Baking Association and The Miller's Federation are in Washington D.C. lobbying to control exports. There are a number of grower concerns. They need a way to clear stubble, and field burning is an issue. There are high input costs in transportation to market. The Farm Bill is an important safety net for them.

There was discussion about rising Asian market potential, and the status of GMO technology for wheat. Monsanto and others have invested years of GMO work with soybean and corn with positive results; also a considerable amount with wheat, but about half of the wheat growers were resistant due to fears about overseas export implications. Now with high costs, there is a unanimous move forward; it is a five or six year approval process. China has almost 80 million people moving into the middle class strata, and the commission believes China will be one of their most important customers; possibly more than all other markets combined. They will have to export significantly or adopt new methods. Monsanto has seen success in drought-resistant corn requiring 30% less water and producing the same yield. Wheat has the same potential, a very exciting prospect for Idaho.

The Chairman thanked Mr. Jacobson and made announcements while the next speaker prepared his presentation: he brought an article on carbon sequestration to the attention of the committee. He announced that Monday's agenda includes a possible pilot program requiring legislation, to bring together agricultural groups and citizens to resolve historic site preservation issues.

ISDA:

Mormon Cricket and Grasshopper Management Program; 2007 Update and Forecast
Ben Simko, Program Manager and Dick Lawson, Program Specialist

Mr. Simko gave an update on the program; what has been accomplished and what is anticipated for the coming season, 2008. (See attachment)

Mr. Simko acknowledged the excellent human resources that support his program, as

well as the support received from the ISDA. The **USDA** supports crop protection efforts to public, federal lands, and treated over 70,000 acres in Idaho. A federal grant allows Mr. Simko's program to suppress and monitor private lands, and funds more than 90% of those efforts. Integrated pest management allows judicious suppression, in safe, beneficial ways. The program employs safe, bio-rational agents, and honeybee keepers are happy with the use of these insecticides.

Some infestations resulted in public safety issues, creating road hazards as they swarmed highways. Areas that were problematic last season could very well be again this season. Mr. Simko reviewed outbreak maps, recurring areas and cycles. Last season required considerable help to private land owners. The state's diverse ecosystems require constant monitoring for activity.

The remainder of the presentation was open discussion between the committee, the program manager and his specialist. It was asked whether this year's winter weather can act as a predictor for the coming season. The response was that the same areas are expected to be hot spots. They overwinter as eggs, so winter weather does not aid in suppression. Helpful, would be a spring warming trend that triggers a hatch, followed by a cold snap to cause mortality.

Bait distribution is a big component of the program. Adams County and Valley County were hot spots with high bait distribution. An inquiry was made as to whether we have a deprecation program to compensate for crop loss from infestation, and no, we do not. The focus is prevention, before damage occurs. The program cost-shares with private owners to aerial spray prior to loss.

When possible, insecticide is applied in alternate swaths; a more environmentally sound approach than blanket application. When asked if the grant funds can be accessed for management of other pests such as black fly, Mr. Simko responded that the funds were dedicated only to cricket and grasshopper suppression.

Mr. Simko spoke briefly about administrative aspects of the program. The budget is structured to allow flexibility, so that when there are high need years, they are able to hire more staff to respond, bring in more equipment, etc. In low activity years the program can "stand down". It is not a "spend or lose" budget; funds not spent can be banked for later use. The program tries to be very transparent and open to the public about their practices and policies. They run outreach programs and are planning a "Train The Trainer" event to teach scouting, sampling and other methods. He acknowledged the assistance of the University of Idaho, municipalities, and others who support the program by allowing bait storage and more.

The Chairman thanked both gentlemen and stated we hope for a down year.

ADJOURN:

There being nor further business before the committee, the meeting was adjourned at 3:04 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 10, 2008, 2008

TIME: Upon Adjournment

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representative Shirley

GUESTS: please see sign-in sheet

**PRESENTATION
S** Vice Chairman Andrus chaired the meeting at the request of Chairman Trail in anticipation of a schedule conflict. He called the meeting to order at 2:14 p.m. and welcomed the first speaker.

Idaho State Historical Society: Preservation of Historical Barns in Idaho
Janet Gallimore, Executive Director

Ms. Gallimore was tasked by Chairman Trail to research models for barn preservation. She just returned from Washington D.C., where she met with the American Farmland Preservation Trust to begin the dialogue and research. The state of Washington created an online registration in an effort to identify structures for preservation, and a previously unrecorded 350 owners registered. Their program now needs a funding mechanism to handle the overwhelming response and hopes to attract grant funds. The huge groundswell of interest in preservation, and great press coverage are very encouraging.

There is increasing interest in Idaho for preservation of barns and other agricultural structures, and also as they are connected to the greater context of the landscape. The president of the Barn Alliance is a farmer here in Idaho and is considered the "guru" of barn preservation. The Idaho Heritage Trust is already engaged; it is a team approach, a comprehensive effort. In order to have significant impact, some funding will be need to be directed to private owners in order to assist them. Existing grants for collecting and preserving buildings and artifacts are directed at tribes and organizations, not individual property owners. A pilot program would help ascertain the scope and cost involved. The Society plans to benchmark and bring data back to this forum for consideration, to create plans for presentation to the next session.

Committee members raised questions regarding funding and how other programs might interface with and support this project. Century Farms has a symbiotic relationship but does not offer more than recognition. The National Barn Alliance is more of an information broker. It is a very strong movement and some information can be gleaned from them; possibly viable funding sources to investigate. The current grant is \$80,000 and the typical expenditure is \$5,000 per project. A national query was recently conducted to gauge the extent of the need, and identify key areas for consideration.

A question was raised regarding how it is determined that a property is worth

preserving and why we would be in the business of funding private restorations. Ms. Gallimore responded that the program would have to look at the cost/benefit to the public. She also mentioned that properties that are private, but on the historic register, provide a tax benefit to the owner.

Vice Chairman Andrus thanked Ms. Gallimore and commented that he finds it disheartening to see these barns in such a state of deterioration. He described a beautifully renovated barn, now a home in Michigan. Ms. Gallimore shared a vignette about a restoration project in Wisconsin that involved only ten acres, but became a cornerstone park for a new subdivision; a public-private partnership success. The Vice Chairman then welcomed the next speaker.

Idaho Alfalfa and Clover Seed Commission, 2008 Report

John Hartman, Commission Chairman

The commission represents growers in the Magic Valley and southwestern Idaho. Mr. Hartman provided a fiscal report for 2007 (see attached). The commission oversees disbursement of funds in three categories: research, education and promotion. It is affiliated with the National Alfalfa and Forage Alliance (NAFA) that coordinates educational and research activities in eight western states. One useful project is the development of an internet website to access late-breaking pest reports.

Idaho is second only to California in alfalfa seed production, and is the lead producer of winter hardy seed. Alfalfa seed is considered a minor crop. However, it is the foundation of the alfalfa forage industry that ranks third nationally behind corn and soybean, and is among the top five crops grown in the U.S. The commission has been engaged in discussion related to the role our crops might play in the new Farm Bill, and are encouraged by the opportunity to elevate awareness of these crops as a U.S. commodity.

There is national debate about issues related to Round-up Ready alfalfa seed and hay production, resulting in a court order to halt production. NAFA and Idaho growers have been a voice in the debate, to defend and protect the environment in which they raise quality alfalfa seed in Idaho. The commission invested funds toward legal fees related to the 9th District Court ruling halting field burning in Idaho. Field burning is a necessary tool, used to control disease, insects and weeds by removing residue left following harvest. The commission applauds those agriculture groups that negotiated on our behalf.

Idaho's growing dairy industry, and continued strong cattle industry, have placed increased demand on high quality forage crops. Quality hay and forage crops require quality seed. Idaho's high quality seed can be found in every corner of the U.S., and around the world. Our climate, soil, water and dedicated growers help establish Idaho as a leading seed producer for the U.S. Mr. Hartman announced that this was his final report as chairman having served two terms, and turned over the floor to questions. Lengthy discussion with the committee ensued.

Mr. Hartman was asked to comment on the hardiness of our alfalfa compared to other varieties and explained that ours are winter hardy, with a dormancy rating of 1 to 5. Higher elevations require a rating of 2 or above. Lower elevations like California and the Middle East require a dormancy rating of about 6-9. When asked if there were other uses for alfalfa, he answered that quality forage is the best use. He went on to explain that there research is ongoing to look at the possibilities of low grade paper products such as egg cartons, pellets for feedstock, and cellulisic energy. It was asked if any consideration had been given to researching an alfalfa perfume for development, and Mr. Hartman

said no, not to his knowledge.

An inquiry was made regarding the impact of urban development and Mr. Hartman responded that it is pushing all crops out into the Oregon border areas. He noted that this valley is considered by many to be the very best place to grow seed crops in the world, and in that regard, urbanization is an issue. A committee member noted that clover used to be a popular crop and wondered how much was being grown. Mr. Hartman speculated perhaps 5000 acres or less, compared to 14,000 acres of alfalfa. It is unique growth, one is considered a weed, the other a crop; an important distinction.

There was lengthy conversation about the role bees play in the pollination of these crops, and whether there were concerns about the collapse of the honeybee colonies. Mr. Hartman explained that leafcutter bee larvae are imported from Canada to be incubated here and used to pollinate his crops. Honeybees are the preferred pollinators for honey production and yes, the colony collapse is a problem, with no real answers at this point.

It was queried why other crops did not face legal barriers with Round-Up Ready seed and Mr. Hartman explained that alfalfa is perennial and persistent. When pollen is transferred by bees, the bees may move the Round-Up Ready traits to locations where it may be unintended; not just via normal wind drift distribution. The position held in the lawsuit is that there has not been enough research to determine transfer impact. The concern is transfer from one alfalfa crop to another alfalfa crop; the suit is primarily to protect the seed industry itself. It is seed and forage growers who are at odds over the Round-Up Ready and honeybee transfer risk. It was pointed out that most pollination is within 1/4 mile, while honeybees may pollinate distances up to 5 miles.

It was asked where this crop is heading with GMO technology and the response was, to developing better forage and cellulosic energy. Mr. Hartman feels that some traits could be engineered at lower risk, through university programs and more traditional methods. A comment was made that GMO popularity is all about marketability. The world market and a number of countries are now coming on board in acceptance of GMO. Mr. Hartman emphasized the risk of accidental transfer. The growers are required by contract to ensure the quality of the seed they raise. Some markets require zero tolerance for the RR gene. He feels that some of these GMO traits are simply not necessary, and the grower is now locked into paying for them, and funding Monsanto.

He ended his presentation with an open invitation to tour his farm, and the Vice Chairman thanked him.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 3:07 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 12th, 2008, 2008

TIME: Upon Adjournment

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representatives Patrick and Durst

GUESTS: please see the attached sign-in sheet

The meeting was called to order at 3:36 p.m.

PRESENTATION: Representative Chavez motioned to approve minutes as written for 2/28; 3/6; 3/10, and the motion passed on a voice vote.

The Chairman announced that the Quagga Mussels bill, if approved by State Affairs, would be heard Friday, March 14. He then welcomed our first speaker.

Betty Munis, Director of Forest Products, gave a commission update to include a timber workforce overview (see attached), and the results of a 2007 public survey .

Commission members are government appointees, with permanent advisors from the University of Idaho and other organizations. The focus of the commission is development of media and education programs.

She spoke at length about Project Learning Tree; a multi-disciplinary education program designed to bring the environment into the classroom. The premise of the program is to teach children not what to think, but how to think; in order for them to make good decisions about the environment. PLT workshops have reached over 5,000 educators in Idaho since inception in 1994, and over 15,000 students every year. Lending kits went out to 800 teachers last year throughout the state, with a huge demand coming from eastern and northern Idaho.

Another education program is the Sustainable Forestry Tour, for educators. There are many hands-on activities. It is a rousing, popular program, with over 1,000 teachers requesting to participate at this time.

Last year the commission began a supplement to the 4th grade state history curriculum. A booklet called, "From Lumberjacks to Lasersaws" is now distributed to the classroom to draw interest to this important aspect of our state history.

A significant education project is the media campaign to support Arbor Day. Last year was a banner year for this project. In partnership with Home Depot and Kinko's, the commission gave away 25,000 seedlings and a book called, "The Tree Farmer". Ms. Munis reminded the committee that Arbor Day is the last Friday in April.

All programs drive the public to use the commission website. Last year saw over 10 million hits to the website; a 75% increase from previous years, attributed to educator access. The opinion poll helps the commission gauge what progress has been realized, public perception and anticipate future program development.

Challenges facing the industry include recruiting and maintaining a skilled and dedicated workforce. A workforce summit is planned to address this issue. There are two sides to this aspect of the industry; there is high occupational risk, but it can be an attractive occupation to "risk taker" personalities and those who enjoy working outdoors.

The Forest Industry faces real challenges right now with the downturn in the housing market. Fortunately, Idaho has great diversity and other markets are flourishing. A large percentage of our state is covered in trees, with some of the most productive forest lands in the nation. These can be considered an asset or liability, depending on how we move forward. Biomass and bio-fuels present a phenomenal opportunity. There is potential in a research project looking at bacteria in the gut of termites, for use in ethanol production. Specialty species and agro-tourism are other opportunities. The commission looks forward to the future, and how to keep the public engaged and the industry relevant.

The Chairman thanked Ms. Munis and welcomed the next speaker.

Dr. Sian Mooney, Economist from Boise State University, presented the economics of carbon sequestration and the role of agriculture. Dr. Mooney has been studying climate and agriculture for more than twenty years, and more recently, greenhouse gases with the EPA.

She outlined how carbon trading started. The idea of carbon credit trading first came out of the U.N. Convention on Climate Change and the Kyoto Protocol. Acid rain created the impetus, but there are actually a large number of gases involved and for agriculture, mostly carbon dioxide, methane and nitrous oxide.

A system of "cap and trade" was set up; credits for pollution trading. A cap is set on allowed emissions; credits are allocated; emissions monitored, and credits surrendered at the end of the designated compliance period. Fines are issued if emissions are greater than credits. If an industry finds it easy to comply, they may over-reduce and sell credits to one that needs to buy (is less able to comply) and so overall, the pollution reduction goal is met. First the system must be determined: decide who is regulated, set reduction goals and begin the political and scientific process to decide the cap. How a government decides to give them out differs; in this country, it would likely be determined by EPA.

She outlined the differences between the U.S. and Europe, and how carbon

trading started. The idea of carbon credit trading first came out of the U.N. Convention on Climate Change and the Kyoto Protocol. Acid rain created the impetus, but there are actually a large number of gases involved and for agriculture, mostly carbon dioxide, methane and nitrous oxide.

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The remainder of the presentation included many questions from the committee, and responses follow.

The process is monitored by companies that have sprung up to meet the demand, and regulated by the UN. Currently the U.S. has only the Chicago Credit Exchange (CCX). It is a finite pilot, to give players an opportunity to practice in this market. Europe operates under the Kyoto mandate. Under this pilot, a small farm would not have enough to sell. An aggregator could pull together enough acreage from multiple farms to meet the required minimum to submit to the CCX. Tillage protocol is listed on their website. The typical pledge time requirement is about 5 years. There is an insurance piece to the contract, buyout clauses and penalties outlined.

In the American, voluntary, market, the standards for credit are not the same as they are in the European market under the Kyoto Exchange. The federal government must first establish a common trajectory to see an actual reduction. What credit standards will arise will have to include some element of additionality. The Iowa Farm Bureau holds \$600,000 acres of no-till, and has sold some credits to the coal industry to compensate for excess pollution. Europeans have much tighter standards. The European Union program is mandatory. There is a lot of demand as a result, so there is more reduction. There is not as much demand here yet, and caution must be taken to not punish those beginning to join voluntarily. Australia just joined the European market. Canada is setting up its own system. Within the US market, all credits are equal. It does not matter if you gained your credit from no-till farmland or emissions reduction. To-date there has not been a trade for rangeland. Here in Idaho, every acre of previously degraded rangeland would receive one credit for five dollars. It is an opportunity to participate without signing up all of your land.

Mr. Anthony Bennett, Soil Conservationist, stated that cropping zones for Idaho have yet to be defined, and efforts are underway to designate these through the CCX. There is an eastern Idaho pilot project for rangeland trade; initially there were 6 applicants, now 28 have filled out applications for rangeland in this pilot. There has been one successful forestry trade with the Nez Perce tribe on the CCX.

The U.S. is the greatest contributor to greenhouse gases. Trade volume

drives down prices and the cheaper it becomes, the more reduction realized. A federal mandate would bring down prices. The great advantage of credits from agriculture and forestry is that they can be created at low cost, and will be in great demand, with a lot of buy up. They are being viewed as the bridge to technological solutions, while industries retrofit for emission reduction.

A concern was raised whether credits will become cost prohibitive for the cattle industry because of methane, and Dr. Mooney stated that there are no proposals at this time to regulate agricultural emissions. Agriculture only contributes about 6% of total greenhouse gases. A federal plan would more likely target large, and point, sources like coal-powered plants. The role of agriculture is more likely to provide credits to industrial polluters.

Under the Kyoto Accord, automobiles and other vehicles are not yet regulated, as it is harder to regulate individuals. However, air travel is under scrutiny and on the table for the second round of Kyoto, as it is a significant polluter.

The Chairman thanked our guests for the highly informative presentation, and hopes to see them back in anticipation of fast moving developments in this area.

ADJOURN:

There being no further business before the committee, the meeting was adjourned at 4:49 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 18th, 2008

TIME: Upon Adjournment

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Representative Durst

GUESTS: please see attached sign-in sheet

The Chairman called the meeting to order at 3:51 p.m., and welcomed our first guest.

PRESENTATION: Ms. Laura Johnson with the ISDA, introduced Dr. Guoli Cao, the Idaho-China Trade Office Manager, who presented the annual performance report for 2007 (see attachment). Dr. Cao holds a Ph.D. in Economics and has been working with Idaho since 1999. Ms. Johnson also introduced Amanda Albers, a trade specialist with the ISDA attached to China trade activity.

Dr. Cao thanked the Chairman and committee members for the invitation extended, stating it was a great honor to be here, and he was very excited to bring a promising report before the committee. The mission of his office is to build friendships and encourage business relationships. The trade imbalance appears to be narrowing, attributable to the increase in the Chinese middle class. Idaho saw a 21.9% increase in overall exports, making Idaho the largest export customer, and this figure excludes the large, one-time Micron sale to Singapore.

The office arranged a 1.5 million dollar annual purchase of alfalfa hay that has been well received. The office could easily accept a 9 million dollar contract, but Idaho is unable to meet the demand due to shrinking acreage. Dr. Cao reported success in testing specialty markets along the coastal areas, introducing an Idaho Toffee product to Shanghai with great success. He anticipates more growth in the use of Idaho agricultural products in food services, to support the Summer Olympics.

A committee member inquired about the use of bean seed. Dr. Cao stated there is much interest in any beans that provide a high protein and fiber content, noting that black bean and green bean are staples of the Chinese diet. His office is working with the Bean Commission to determine what bean varieties are most compatible with Chinese growing conditions. Dr. Cao stated that, while it is difficult to project the future, his office looks forward to our continued friendship. The Chairman thanked our guest and welcomed the next speaker.

PRESENTATION: Representative Anderson notified the committee that the Invasive Species Act passed in morning session. The purpose of his presentation was now informational, as the Department of Agriculture goes forward in establishing regulations to comply with the act, specifically as it applies to Quagga Mussels.

Representative Anderson facilitated a video presentation, that essentially mapped the spread of Quagga Mussels to Lake Mead, and showed desecrated waterways, shorelines, hydroelectric plant damage, and property. The film was produced by Oregon's PBS in June of 2007, and since that time the number of Quagga Mussels in Lake Mead grew from a few million to the hundreds of trillions. It is the species' first introduction into a warm water habitat with a year-round breeding season. Oregon is attempting to block the introduction to their waterways, as recreational boats move from Lake Mead back into their state waterways.

Representative Anderson thanked the committee for supporting the passage of this act today and responded to questions. He stated that the only agents that kill the Quagga Mussels will also kill the entire water column. The natural controls in the native habitat cannot be replicated or introduced here. Native to the Caspian Sea, the mussels require calcium that is low concentration in those waters. A small fish called the Gobi also follows a cycle that keeps the Quagga in check. Our waterways are high calcium, and the introduction of the Gobi fish into our ecosystem as a predator, is not ecologically sound.

A question was asked regarding procedures for boat washing and inspection. Boats washing will require a water temperature of 148' fahrenheit. However, the wash does not replace full inspection- we cannot miss one. The State of Idaho has no existing point-of-entry stations; we will have to establish washing stations. Next year we will introduce an Invasive Species vehicle sticker to generate funds to offset the cost of inspection.

The Chairman commented that we have a real challenge ahead of us, and thanked Representative Anderson for his efforts.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 4:30 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary

MINUTES

HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: March 20, 2008

TIME: 2:00 p.m.

PLACE: Room 240

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

**ABSENT/
EXCUSED:** Chairman Trail, Representative Durst

GUESTS: please see attached sign-in sheet

The meeting was called to order at 2:00 p.m. Vice Chairman Andrus presided over the meeting in the absence of Chairman Trail.

The first order of business was approval of the minutes. Representative Bolz moved to accept the minutes of 3-12-08 as written, and the motion was approved on a voice vote. Representative Lake then moved to accept the minutes of 3-18-08 as written, and the motion was approved on a voice vote.

SCR 137 Senator Stennett presented legislation to urge the Chicago Climate Exchange to approve a designated cropping region in Idaho, to meet qualification for the program. This initiative supports the ongoing efforts of the Idaho Soil Conservation Commission and the Idaho Carbon Committee, to develop a Carbon Credit Exchange Framework for the State of Idaho. Pilot projects have already been developed for rangeland, non-industrial forest land and crop land for possible trading; however, cropping regions are not yet designated or approved for Idaho by the CCX. The CCX intends to review the State of Idaho initiatives for consideration this April, making this legislation very timely.

Senator Stennet then entertained questions from the committee. In response to an inquiry, he clarified that participation in the study is entirely voluntary. Idaho may have an opportunity to make a trade this year, but it will very likely require an aggregator to compile enough acreage to qualify for the trade. He further clarified that there is no relationship between this legislation and the Forest Bill.

MOTION: Representative Patrick moved to send **SCR 137** to the floor with a **DO PASS** recommendation. Further discussion ensued, and the Senator's responses follow.

Two distinct cropping regions will be designated; one region in northern

Idaho is already engaged in no-till practices, and another will be designated for southern Idaho.

To qualify, a participant must enact a new practice; for example, converting eroded lands to pasture land, or implementation of 'no till' practices. Non-industrial forest land was defined as individually-owned land. The potential income for carbon credits is estimated at \$300 million, if every agricultural acre in Idaho qualified.

MOTION ON ORIGINAL MOTION:

SCR 137 carried on a voice vote.
Representative Pence will sponsor it on the floor.

Vice Chairman Andrus announced that this was the final committee meeting for this session, pending any unforeseen business. He thanked the secretary and page for their support, on behalf of the committee.

ADJOURN:

There being no further business before the committee, the meeting was adjourned at 2:14 p.m.

Representative Tom Trail
Chairman

Margaret Major
Secretary