

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 14, 2013
TIME: 8:00 A.M.
PLACE: Room WW53
MEMBERS PRESENT: Chairman Bair, Vice Chairman Guthrie, Senators Brackett, Tippetts, Nonini, Patrick, Durst and Buckner-Webb
ABSENT/ EXCUSED: Senator Rice

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

CONVENED: **Chairman Bair** called the meeting to order at 8:04 a.m.

GUBERNATORIAL APPOINTMENT: The committee will consider the appointment of **H. Norman Wright** of American Falls, Idaho, to the Idaho Soil and Water Conservation Commission. He is to serve a term commencing July 1, 2012 and expiring July 1, 2017. Motion for recommendation of confirmation will be made at the next committee on Tuesday, February 19, 2013. Senator Guthrie will be the sponsor.

PRESENTATION: **Chairman Bair** introduced **Teri Murrison**, Administrator, Idaho Soil and Water Conservation Commission (ISWCC), who thanked the committee for the opportunity to present and acknowledged the presence of commissioners, staff and conservation partners. She introduced Bret Rumbleck, Executive Director of the Idaho Association of Soil Conservation Districts (IASCD).

Ms. Murrison said the commission got its start back in 1939 and was established in response to the Dust Bowl era of the 1930's. This is Idaho's oldest conservation effort that includes partnerships with the ISWCC, IASCD, the National Resource Conservation Service (NRCS) and the Idaho District Employees Association. The commission's goal is to keep Idaho beautiful and productive using the natural resources to benefit the people and taking care of and improving those resources for future generations.

Ms. Murrison said core functions of ISWCC include technical and support services, conservation programs, and administration. They assist Idaho's fifty conservation districts, distribute trustee and benefit funds, and assist with five-year antidegradation plan updates. Their incentive conservation program, Resource Conservation and Rangeland Development Program, provides low interest loans to help landowners purchase equipment and install projects that provide conservation benefits. They currently have 131 active loans totalling about five million dollars, enabling conservation on more than forty-thousand acres in 2012. Though loan volume is down, they are undergoing efforts to promote and market the program and have reduced processing time and streamlined policies. Under the Conservation Reserve Enhancement Program (CREP) efforts are directed to conserve water on marginal farm ground in the Eastern Snake River Plain Aquifer. Farmers receive modest payments in exchange for not farming such lands. There are currently 17,900 acres and they are seeing a decrease; they need more funds to continue to grow this program.

Working in partnership with NRCS, they are addressing pollutants in Nitrate Priority Areas and through treatment have had a 150,000 pound reduction in nitrates; 29,000 pound reduction in phosphorus and roughly 144,000 pounds of sediment reduction. They are the designated lead agency for the agricultural and grazing components of the Total Maximum Daily Load (TMDL) implementation of water quality-impaired surface waters in the state. The TMDL workload is backlogged; the commission is focusing more time and efforts in eliminating the backlog and working to add more plans in the future.

Ms. Murrison finished up with major trends and challenges the commission is facing. Urban growth is creating land-use conflicts and Idaho continues to lose agriculture land and open space. Needs are growing and resources for voluntary conservation are shrinking, with water quality being a major concern, it's pushing other funding priorities aside. Increased federal regulatory and endangered species issues are creating heavy workloads that are using dedicated time and staff at the expense of other needs. She said they will focus on core responsibilities, prioritizing the use of staff and funds, and streamlining operations wherever possible.

Ms. Murrison introduced **Bret Rumbeck**, Executive Director of the Idaho Association of Soil Conservation Districts (IASCD) who said that the IASCD, organized in 1944, is a voluntary, non-profit association of Idaho's soil conservation districts cooperating in the management of Idaho's natural resources. They are the unified voice for Idaho's conservation districts. Its members work closely with the Idaho Soil and Water Conservation Commission on issues of policy, finance and natural resource concerns, and keep the State Legislature and the Congress informed of its member's views on natural resource concerns. In conjunction with districts from other states, they form part of a national network. The National Association of Conservation Districts is comprised of approximately 3,000 districts and over 15,000 individual directors. **Mr. Rumbeck** spoke about the reorganization of the Board of Directors and recent projects, two of which are located in Bear Lake County and benefit the Bonneville cutthroat trout. Their outreach program includes a monthly newsletter, which has seen a significant increase in subscribers. The committee and audience watched a short video. **Mr. Rumbeck** and **Ms. Murrison** stood for questions.

Chairman Bair asked about the matching funds problem, and wanted to know where the dollars come from that they use in requesting matching dollars from the state. **Ms. Murrison** explained that the decrease in the \$2.00 to \$1.00 matching funds (currently \$1.52 to \$1.00; the highest in years), has created a shortfall. The districts have been working on their five-year plan by prioritizing projects and creating their list of projects that could be completed if they had additional funds. **Mr. Rumbeck** responded that some may come from the Farm Bill's Equip program, a private sector grant, and local government entities through discretionary spending. The additional money can assist districts that are short in funds, and can help leverage other grant funds that require a set amount to apply. **Mr. Rumbeck** stated that \$209,700 is needed to fully leverage the funds. **Ms. Murrison** thanked the local counties that annually budget for and contribute money for conservation districts.

Chairman Bair introduced **Dave Radford**, the Vice Chairman of the Idaho Soil and Water Conservation Commission and Bonneville County Commissioner, who spoke briefly about the matching funds issue. **Mr. Radford** asked that this issue be addressed in the JFAC budget meeting and the \$2 to \$1 match be reinstated.

Supporting documents related to Ms. Murrison's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 15)

PRESENTATION: **Chairman Bair** introduced Moya Dolsby, Executive Director of the Idaho Grape Growers and Wine Producers. **Ms. Dolsby** introduced the other members of the commission and presented the annual report for review. She gave a brief background on Idaho wines and how the commission works to promote the growers, their wines, and the goals for 2013. Idaho's wine growing region encompasses 8,000 square miles with climate conditions comparable to the Columbia Valley in Washington and elevations comparable to the high desert of the famed Rioja region in Spain. The Idaho wine industry is growing at a fast rate starting with just one winery in 1976 and having fifty today. Tourism is up, as more and more people search for new wines to experience.

There are fifty-six vineyards and four new wineries just in the past 12 months. Idaho has 1,600 acres of grapes planted and based on the 2011 harvest-received assessments, there were 2,240 tons harvested and 335,000 gallons of wine produced. The wine market share in 2011 was 5.95 percent and growing; it has created 625 full-time jobs. In 2008, they had an Economic Impact Report done and found that the wine industry had a \$73 million impact. Participating Idaho wineries have produced four winners in competitions since 2010, and culinary events have been sell outs. Website traffic has increased by almost 900 average monthly users since 2011. Idaho Business Review has partnered with the commission to print the 2013 tour brochure.

Ms. Dolsby said the commission received an Idaho State Department of Agriculture Speciality Crop Grant for \$41,622 that will be used to fund new marketing endeavors as well as supplementing their current advertising budget. Clearwater Valley is resubmitting their application for the American Viticulture Area (AVA) and would be the second for the state, if approved. H 412 was passed last year which allows additional powers and duties to be able to pour wine at events, to host and sponsor events and to donate and receive grape products and by-products. H 489 exempts use taxes being charged on free tastings of beverages, including beer and wine. The commission is currently working on two more pieces of legislation regarding excise taxes and container size increase. **Ms. Dolsby** stood for questions.

Supporting documents related to Ms. Dolsby's presentation have been archived and can be accessed in the office of the Committee Secretary. (See attachment 16)

PRESENTATION: **Chairman Bair** invited the Page for Agricultural Affairs, Ivy Christopherson, to the podium for recognition of her excellent service during her term with the Senate. **Ms. Christopherson** said she is involved in student leadership, is the student body historian for Century High School in Pocatello and is part of the Pocatello Youth City Council. She has really enjoyed being part of the Agriculture Affairs Committee as she has learned a lot about agriculture and has a greater appreciation for the hard work the senators do. She plans on going to college after she graduates, and was accepted at Utah State where she will pursue a masters course in dietetics. She will get her personal trainers license when she turns 18. **Chairman Bair** thanked her for her hard work and said she was one of the best pages he had ever been assigned.

ADJOURNED: **Chairman Bair** adjourned the meeting at 9:05 a.m.

Senator Bair
Chairman

Denise McNeil
Secretary