

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 06, 2014

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Bair, Vice Chairman Guthrie, Senators Brackett, Tippetts, Rice, Nonini, Patrick, Buckner-Webb and Ward-Engelking

ABSENT/ EXCUSED: None

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

CONVENED: **Chairman Bair** called the meeting to order at 8:00 a.m.

RS 22736C1 **Chairman Bair** introduced **Senator Patrick** who introduced **RS 22736C1**, proposed legislation relating to agricultural security. This legislation intends to protect property owners from wrongful entry and criminal trespassing, theft of records, obtaining employment by wrongful means, obtaining records of workplace activity without the owner's consent, and intentionally interfering with farming operations. He stood for questions.

MOTION: **Senator Rice** moved to send **RS 22736C1** to print. **Senator Brackett** seconded the motion. The motion carried by **voice vote**.

RS 22780 **Chairman Bair** introduced **Bob Naerebout**, of the Idaho Dairywomen's Association, who introduced **RS 22780**, proposed legislation relating to the Dairy Environmental Control Act. This legislation intends to repeal the sanitary provisions that are antiquated, unnecessary or are comprehensively addressed by the Idaho Department of Agriculture (ISDA). It also proposes to combine statutory requirements in Chapters 3 and 4 of Title 37 that relate to minimum standards for dairy product sanitary conditions, quality, identification, classification, and grade, and to enact a new Chapter 4 of Title 37 entitled the "Dairy Environmental Control Act". This will provide the ISDA comprehensive authority to regulate dairy operations to protect the State's water resources and to conform to the United States Department of Agriculture (USDA) and Idaho State Department of Environmental Quality. He stood for questions.

MOTION: **Senator Brackett** moved to send **RS 22780** to print. **Senator Buckner-Webb** seconded the motion.

Senator Nonini asked why Section 1, 37-301, was renamed Statement of Purpose. **Mr. Naerebout** introduced Dan Steenson, Attorney with Sawtooth Law Offices, PLLC, who responded that the existing code section is being repealed, and they used that opportunity to create this new chapter.

The motion carried by **voice vote**.

S 1267

Chairman Bair introduced **Stan Boyd**, representing the Idaho Horse Council (IHC), who introduced **S 1267**, proposed legislation relating to the Equine Education Account. This proposed legislation changes where the IHC sends funding, from the University of Idaho (U of I) Northwest Equine Reproduction Laboratory (INERL), now closed, to their Social Science Research Unit. This funding will be used to update the Idaho Horse Census Survey. The horse census survey, which is conducted every 3- 5 years, costs between \$40,000 to \$50,000 to complete. Any funds not used for the census study may be used for other U of I education or research projects by agreement of the IHC. Over the past 11 years, the IHC has given an average of \$26,300 per year to the University. Mr. Boyd stood for questions.

Chairman Bair asked Mr. Boyd what kind of information is gathered for the horse census. **Mr. Boyd** called on **Charlene Cooper**, Director of the IHC and Chairman of the Census Committee, who stated that the original bill intended to send money to the INERL and was always intended to be used for education at the U of I. This legislation would continue to direct the money to the U of I, but now for the purpose of the census update, which has been taken every 5 years since 1985. Since the Council is a nonprofit organization, this funding would be most helpful. Ms. Cooper stood for questions.

Chairman Bair introduced **Mark McGuire** Director of the Department of Animal and Veterinary Sciences, U of I, who said that since the closure of the INERL, his department has been using the funds to teach courses in horse science and equine management. They would like to continue to use any of the remaining funds after the census is taken. **Chairman Bair** asked if the department was okay with the funds being diverted to the census instead of education classes. **Mr. McGuire** responded yes, it was okay with them.

Senator Rice quoting from line 25, which states "each periodic update of the survey shall be initiated by the IHC in a negotiated contract agreed upon between the U of I Social Science Research Unit and the IHC". He said he is generally uncomfortable with language in statute regarding two parties having to "reach an agreement" without any standards of what the agreement is. He asked who does the actual census survey and who pays for this. **Mr. Boyd** responded that the Social Science Research Unit at the U of I receives the funding to conduct the census, which they perform for all domestic livestock and equine. The cost of a survey depends on the amount of data that is being requested. Surveys are periodically updated, usually every five-years, but if one is needed due to special circumstances, they could have it done earlier. Mr. Boyd directed the question to Charlene Cooper to better answer this.

Charlene Cooper responded that the Council negotiates the type and quantity of data they need in their surveys, and the U of I tells them how much it will cost. They have been doing the census updates at five year intervals to be line with the human census. This information is used in their population study. They use about 100 students to conduct the surveys which are done by telephone and mail.

Senator Rice asked how the money left over after the census survey is completed is transferred to the research department. **Ms. Cooper** responded that the money is under the direction of the Council, who directs the additional funds to be used at the University as well as the 4-H Club.

MOTION:

Senator Brackett moved to send **S 1267** to the floor with a **do pass recommendation**. **Senator Nonini** seconded the motion. The motion carried by **voice vote**. Senator Brackett will carry the bill.

PRESENTATION: Chairman Bair introduced Pamela Juker, Chief of Staff, Idaho Department of Agriculture (ISDA) who presented on the Food Safety Modernization Act (FSMA), a federal food safety reform bill. Ms. Juker said that FSMA:

- Was signed into law January 2011;
- Authorizes the FDA to promulgate the rules;
- Will have preventive, science-based controls;
- Will apply domestically and internationally;
- Will affect everyone from farm-to-fork; and
- Adoption and implementation will be by June 30, 2015.

She said the seven FSMA rules are:

1. Produce Rule. Provides standards for growing, harvesting, packing and holding of produce for human consumption. This rule deals with on farm activities related to Raw Ag Commodities (RAC). Producers are required to meet minimum water standards as set by the Environmental Protection Agency (EPA).
2. Processing Rule. Applies to current good manufacturing practices, hazard analysis, and risk-based preventive control for human food. Preventive controls would be required to include process, food allergen sanitation controls, and a written recall plan.
3. Feed Rule. Applies to the current good manufacturing practices, hazard analysis, and risk-based preventive control for animals. This is similar to the human food processing rule and requires facilities to put into place preventive controls to improve the safety of domestic imported animal food that includes: pet food, animal feed, and raw materials and ingredients.
4. Third Party Auditor Rule. Applies to the accreditation of third party auditors/certification bodies to conduct food safety audits and to issue certifications for foreign food and facilities. Provides assurances about regulated food from international trade into the U.S.
5. Import Rule. Creates foreign supplier verification programs for importers of food for humans and animals. Establishes a consignee or owner of imported food into the U.S. and assesses the third party auditors.
6. Intentional Adulteration Rule. Focuses on mitigation strategies to protect food against intentional adulteration that could cause large-scale public harm.
7. Transportation Rule. Applies to the sanitary transportation of human and animal food and applies to shipper, receivers and carriers who transport food in the U.S. by motor vehicle or train.

Ms. Juker said last summer the ISDA, in conjunction with other state agricultural departments, hosted a tour of the Pacific Northwest for the FDA to see the agriculture production and packing facilities here in Idaho. The FDA said they learned a great deal on this tour, and the ISDA hopes that it will influence them to revise portions of the produce rule, as well as the food and feed processing rules. The ISDA has spent a great deal of time reviewing the rules and commenting on them, but the FDA still has not provided an implementation, funding, outreach or education plan, or any other guidance tools to help work through this process. She said the time is fast approaching and the adoption of the final rules and regulations are planned for June 30, 2015.

She talked about the many questions the ISDA is struggling with:

- How will implementation work?
- How will FSMA be funded? The FDA will need to seek resources from Congress to support implementation, and they have very limited resources to conduct this work. So the ISDA cannot do any of this work without additional funding.
- What should ISDA's role be in the FSMA implementation? If their customers wanted them to have a lead role, how will ISDA pay for it?
- What should the ISDA's role be for education, outreach, and training? Resources would be needed to be able to do this.
- How can they be assured that the work done with their federal partners is complementary and not redundant and how should the duties be divided for inspections?

Ms. Juker finished by saying that the concern of the ISDA is, if they are to take the lead role, they will need training. They have been meeting with several stakeholders to discuss FSMA and to see how they would be affected by these new rules, and who they would want to implement this program. She thinks it would most likely be the Health and Welfare Department or the ISDA. She said there are many questions with no clear answers. **Ms. Juker** stood for questions.

Senator Brackett asked if the "recreation" water quality standard in the produce rule still stood. **Ms. Juker** answered yes. She believes that there will be some type of modification to that requirement based on scientific standards. Right now, this standard is based on an EPA guideline for recreational water and does not apply to an agricultural use standard. **Senator Brackett** asked if there would be another opportunity for comments before the final rules come out. **Ms. Juker** said they hope to have another opportunity. She said Director Gould had attended a national agricultural conference where the FDA was present, so they should have more information about this issue soon. They and other agriculture departments across the U.S. have made several requests for additional review time for all of these rules. **Senator Brackett** stated that this rule would be prohibitive and extremely expensive if held to that standard. He said it could require the canal water to be cleaned up.

Senator Patrick commented that if they don't change this rule, they will be importing food with no standards, instead of producing it. **Ms. Juker** said one major concern of the ISDA has been the water testing component and requirement in this produce rule. She touched on the comment from Senator Patrick regarding food importing and said that, right now, approximately 15 percent of all our food is imported. 50 percent of all our fruit and 20 percent of vegetables are imported. She emphasized that those burdens being placed on domestic agriculture should be placed equally on international agriculture for imports.

Senator Rice asked what was being done to make certain the USDA really understands that these particular water standards are inappropriate, not scientifically based for agriculture, and would do severe damage to our agriculture industry. **Ms. Juker** responded that the ISDA has voiced this issue very strongly as a state and as a member of the Pacific Northwest group. In the summer tour, it was a conglomeration of Idaho, Oregon, and Washington officials, as well as FDA officials and some university researchers. They had many tours of the canal and irrigation systems and saw first hand how the processes work. She felt that the FDA went away a better understanding of how business is done as far as produce and producing food here and in the Pacific Northwest.

Senator Guthrie asked if it could be possible that the standards that the Idaho agricultural industry are currently following be lowered to lesser standards by these new rules. **Ms. Juker** said she is not sure. She said the ISDA would be held to the standards that are in these rules. They have been discussing how to harmonize globally when standards do not mesh.

DISCUSSION: **Chairman Bair** discussed his Joint Finance Appropriations Committee (JFAC) presentation and a few of the agriculture related issues he will address:

1. Agricultural Research and Extension Service.
2. Agricultural Education Initiative.
3. Raven Control in the Fish and Game budget.
4. PCN Program.

Rich Garber, Director of Government Relations at U of I, spoke in support of the Agricultural Research and Extension Budget. The Committee discussed the other requests and agreed that recommending financial support for research was most important.

ADJOURNED: **Chairman Bair** adjourned the meeting at 8:55 a.m.

Senator Bair
Chair

Denise McNeil
Secretary