

MINUTES
HOUSE AGRICULTURAL AFFAIRS COMMITTEE

- DATE:** Wednesday, March 12, 2014
- TIME:** 1:30 pm or Upon Adjournment
- PLACE:** Room EW42
- MEMBERS:** Chairman Andrus, Vice Chairman Boyle, Representative(s) Bolz, McMillan, Batt, Bell, Agidius, Dayley, Miller, Romrell, Stevenson, VanOrden, Pence, Erpelding
- ABSENT/
EXCUSED:** Chairman Andrus
- GUESTS:** Richard Durrant, Grower Producer; Bob Naerebout, Idaho Dairymen's Association; Dan Steenson, Idaho Dairymen's Association; Benjamin Kelly, Idaho Alfalfa & Clover Seed Growers Association; Doug Conde, ID DEQ; Courtney Washburn, ICL; Sara Arkle, Idaho Conservation League; Travis Jones, Idaho Grain Producers Association; John Hartman, Grower Producer; Dennis Tanikuni, Idaho Farm Bureau
- Vice Chairman Boyle** called the meeting to order at 2:45 p.m.
- S 1376:** **Bob Naerebout**, Executive Director, Idaho Dairymen's Association, presented **S 1376** to the committee. He said this is companion legislation to **S 1338** which, in part, repealed Title 76 Chapters 3 and 4, Idaho Code. He said this bill, **S 1376**, adds a new chapter 4, the Dairy Environmental Control Act, essentially re-codifying environmental provisions that were repealed in **S 1338** and comprehensively define the Department of Agriculture's authority to regulate dairy farms to protect the State's water resources. He stated this legislation was developed with the guidance and approval of IDEQ and ISDA. He discussed the nutrient management plan, its confidentiality stipulations, and stated this is not new language but is simply being re-codified as a result of **S 1338**. Mr. Naerebout stated the only significant change made to existing code in this legislation is a change in the penalty for incidents. He stated rather than being able to pull the dairy's milk license, they would instead charge those in violation with a \$10,000 fine. Lastly, he discussed the safe harbor section of the legislation. He explained that the discharge from dairies must be in compliance with regulations and laws and any unauthorized discharges will be under the authority of the ISDA and IDEQ.
- In response to questions regarding the authority of various departments over dairy discharge, **Dan Steenson**, with the IDA stated IDEQ has the authority to regulate discharge into water bodies of the United States while ISDA has the authority of dairy waste systems and management plans. He said it is this language that was deleted when the chapters were repealed by **S 1338** and are now being re-codified in with this legislation.
- Sara Arkle**, with the Idaho Conservation League, testified **in opposition** to this legislation. She explained the League is a voice of clean water, clean air, and clean quality of life and have two main concerns with the legislation. These concerns were the secrecy of waste management plans and the safe harbor language that would limit water protections. She said clean water resources are the groups priority and this language would limit the ability of the state and local communities to protect their drinking water resources.
- In closing, **Mr. Naerebout** stated nitrates and phosphates in the aquifers are an issue and one that is being addressed. He stated this legislation simply reinstates language for the Dairy Environmental Control Act already in place prior to **S 1338**.

In response to questions regarding heavy rain events, **Doug Condie** with the Attorney General's Office stated currently, if a dairy or combined animal feeding operation (CAFO) has a 24 hour, 25 year protection permit, and an event occurs within that time frame, and their facility was designed to handle it, the discharge would not be considered a violation.

In response to questions regarding the safe harbor provision, **Mr. Condie** stated the best example of an imminent and substantial threat would be an immediate or impending threat to a public drinking water system. With regard to contamination of other ground water sources, Mr. Condie stated dairies still have the obligation to meet the qualifications of their permits and the regulations of ISDA and IDEQ which protect drinking water quality as well as ground water.

MOTION: **Rep. Agidius** made a motion to send **S 1376** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Pence** and **Erpelding** requested they be recorded as voting **NAY**. **Rep. Boyle** will sponsor the bill on the floor.

S 1392: **Rep. Batt** presented **S 1392** to the committee. She said this is clarification language for the Commodity Warehouse Fund (CWF) and the Seed Indemnity Fund (SIF) brought by the farmers and producers to protect themselves if a warehouse goes bankrupt. If such an instance happens, the advisory committee members, who are overseeing the funds, will advise the director on how the funds should be paid out and who should receive those funds.

Richard Durant, a grower in Meridian and Kuna who sits on the SIF stated the advisory committees are an important part of the process to ensure all parties are involved in transparency and the distribution of collected funds. He added, these committees add additional layers of protection for growers.

Benjamin Kelly representing the Alfalfa Seed Growers stated he represents two boards and three growers and testified **in support** of the legislation. He discussed how the legislation came about and the details that went into the development of the language.

Travis Jones, Executive Director of the Idaho Grain Producers Association, testified **in support** of the legislation. He emphasized the importance of the two funds and the advisory committee to the growers in Idaho with licensed warehouses. He stated this legislation puts in statute a clear direction and guidance for ISDA, the buyers and the dealers if there is any problem. He stated it is mostly a technical change and thanked all those who came together to work on the bill and for the effort and time they put in.

John Hartman, a producer in Parma and Chair of the CIF Committee, also testified **in support**. He stated this law was brought over 20 years ago and this is simply a clarification. He explained how the program works and what the process is should a warehouse go bankrupt. He then explained the role of the advisory committee in that process. He stated over time and with changes in administration, rule, and statute there were two paragraphs in law that did not agree. He stated this legislation is to correct the inconsistency.

Dennis Tanikuni with the Idaho Farm Bureau, expressed additional **support** for the bill. He stated the bill will provide clarity to both the boards and the agencies and is an important issue for the industry.

Rep. Batt echoed the statement that this legislation provides clarity for all parties involved. She also thanked those who came together from the various parties and worked diligently to get this legislation right for everyone.

MOTION: Rep. Dayley made a motion to send **S 1392** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Batt will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:23 p.m.

Representative Andrus
Chair

Angela Sandoval
Secretary