

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 05, 2015

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Rice, Vice Chairman Bayer, Senators Brackett, Patrick, Souza, Lee, Den Hartog, Ward-Engelking and Burgoyne

**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: **Vice Chairman Bayer** called the meeting to order at 8:02 a.m.

GUBERNATORIAL APPOINTMENT: **Celia Gould** of Buhl, Idaho was reappointed the Director of the Department of Agriculture (ISDA) to serve a term commencing January 3, 2015 and expiring January 7, 2019. **Ms. Gould** spoke to her reappointment stating she has had the pleasure of being the Director of ISDA for eight years. Agriculture continues to be the bedrock of Idaho's cultural and economic way of life. It is the core of Idaho's booming communities and the lifeblood of the smaller communities.

She owns and operates a ranch in Buhl. She graduated from Boise State University with a political science degree and a masters in public administration. She served 15 years in the Idaho Legislature from the Twin Falls district and chaired the Judiciary and Rules Committee.

Ms. Gould accepted the appointment of Director in 2007, and she came to the ISDA during a very difficult financial time. She believes her greatest accomplishment was leading the agency through the worst recession in recent memory while still maintaining services to Idaho's most important industry. In 2008 ISDA's budget was cut by 13 percent because of the zero based budgeting process that was followed in 2007, and this has paid dividends to the ISDA.

The management style for ISDA:

- A transparent and accountable regulatory environment.
- ISDA is charged with promoting and regulating agriculture.
- Regulatory compliance is reasonable and predictable for customers and consumers.
- Service minded leadership drives credible regulation, and as an agency sometimes their job is to get out of the way and let business do what they do best. Other times ISDA takes an active stance in safeguarding the rights of their customers.
- ISDA enhanced services in such areas as the Range Program.

Ms. Gould stated as a rancher being part of agriculture is a great honor and responsibility. She is honored to direct ISDA, whose mission benefits everyone in the State.

Senator Brackett asked if Ms. Gould were to be reappointed what would be some of her goals for the coming years. **Ms. Gould** answered that ISDA had progressed through some tough years with budget cuts. In these better financial times ISDA would like to proceed with projects such as:

- Promotion of the Rangeland Program to engage the public through educational programs and materials to improve the public's understanding of the management process for rangeland.
- The expansion of export services to facilitate services for that market.
- Organic processor development linked to organic programs.
- Available regulatory services as a safety net for consumers.
- Expanding the promotional components to connect ranchers and farmers with those demands.

Senator Patrick asked if ISDA considered private donations from outside sources for the Zebra and Quagga Mussels Invasive Species Program. Additional funds could go toward placing a larger barrier of protection around the State. **Ms. Gould** explained that ISDA had some federal partners assisting in the program. The problem does not lie in generating dollars but in education and prevention measures. ISDA has collected accurate data on traffic patterns and the time of use. **Senator Patrick** asked if at the contaminated lakes there is a cooperative effort by boat control staff to require boatman to clean their vessels before they leave the area. **Ms. Gould** stated that ISDA has considered these measures and has worked hard to draw congressional efforts on the bodies of water such as Lake Mead and other lakes. Once a body of water is infested with these mussels the attitude becomes fatalistic. Our state water has already been infested, it is not their problem anymore it becomes another state's.

02-0428-1401

Livestock Dealers, Buying Stations and Livestock Trader Lots, Dr. Leibsle, Deputy Administrator, explained this proposed rule is a result of a petition by the Idaho Livestock Auction Association. Negotiated rulemaking was conducted, the industry did not attend that meeting and there were no written comments received. The proposed rule modifies the removal requirements of livestock from trader lots. The current rule requires that all brucellosis test eligible cattle that are removed from a trader lot should be accompanied by a certificate of veterinary inspection (CVI). The proposed rule would eliminate brucellosis test eligible and will be changed to all cattle that are removed from a livestock trader lot shall be accompanied by CVI. This is not modifying the requirements of cattle producers that are not trader lots.

Senator Burgoyne asked for an explanation of the process of this negotiated rulemaking in view of the letter from Bob Naerebout of Idaho Dairymen's Association (IDA). **Dr. Leibsle** clarified that the Administrative Procedure Act requires that the Idaho Cattlemen's Association be notified of all rule proposals, IDA, and post timeline on the ISDA website. This is the outreach procedure ISDA has followed for any legislation involving cattle. ISDA relies on the industry organizations to get the word out to their members. **Senator Burgoyne** asked is it ISDA's policy to go beyond the minimum and notify other organizations that may be affected by the rule. **Dr. Leibsle** answered that ISDA informs who they can, and the industry organizations are the best resources for notification. **Senator Burgoyne** asked if there was outreach to the buying stations and trader lots. **Dr. Leibsle** replied specific letters or phone calls were not made to the trader lots. ISDA relies upon the industry organizations to inform their members. This has been ISDA's procedure on all of their negotiated rulemaking.

Senator Den Hartog asked how many buying stations or trader lots are in the State. **Dr. Leibsle** responded that there are six trader lots in the State.

Senator Brackett stated his primary concern is animal health and protection for the livestock industry. Under the current rule can cattle leave an approved livestock trading lot and go back to the pasture without a CVI? **Dr. Leibsle** answered that under the current rule cattle that fall outside of the brucellosis test eligible demographic may leave a trader lot without a CVI and go back to pasture. **Senator Brackett** asked if trichomoniasis would fall outside. **Dr. Leibsle** stated the definition of brucellosis test eligible is sexually mature cattle over 18 months of age, or pregnant or post-pregnant cattle of any age. There would be a demographic of bulls that would fall outside of this definition, and the trichomoniasis disease would not be covered by the CVI procedure and they would be released to pasture.

TESTIMONY:

Dan Schiffler, Idaho Auction Association, spoke in opposition to this rule change asking for another negotiated rulemaking meeting to voice their concerns.

Joel Vanlith, Wendall Buying Station, spoke in opposition to this rule change. On average they move about 100,000 head through their trader lot. **Mr. Vanlith** stated that for the volume of cattle their business moves through their lot a year that would warrant a notification from ISDA of rule changes that would effect the business. He requested a tightened protocol of how the livestock trading businesses to allow an opportunity for their industry to address issues and participate in the negotiated rulemaking process to ensure herd safety.

Senator Burgoyne asked Mr. Vanlith to clarify his opposition to this rule change. **Mr. Vanlith** explained with an example: You have 12 white faced steers that you want to sell and you haul them to Mr. Schiffler's auction. If Mr. Vanlith buys the steers he can take them to his feedlot without a CVI. With the rule change if you take those steers to the trader lot, a veterinarian will have to be present at the trader lot and have a CVI issued. This rule change requires the trader lot to have the CVI inspections but not the sale yards.

Senator Burgoyne asked Mr. Schiffler to clarify his opposition to this rule change. **Mr. Schiffler** stated that ISDA should hold another negotiated rulemaking meeting so industry can present its input to fix the problem. **Senator Burgoyne** stated he did not understand what the problem is with the implementation of this rule change. **Mr. Schiffler** responded that in a future negotiated rulemaking session the industry needs to look at the rules that are in place for auctions, trader lots and buying stations and fix the issues of moving livestock, disease control and animal identification.

Director Gould stated because of the situations ISDA has had this year the Committee will not see another rule from ISDA. If the petitioner is not interested enough to come to the negotiated rulemaking process ISDA will not present another opportunity.

Senator Brackett explained the Legislature pass a trichomoniasis law and then ISDA promulgated rules to implement the law. Somewhere in the process the trader lots have fallen outside the coverage which will allow the potential for bulls to go back out to pasture without a CVI.

MOTION: **Senator Brackett** moved to reject **Docket No. 02-0428-1401**. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business, **Vice Chairman Bayer** adjourned the meeting 8:56 a.m.

Senator Rice
Chair

Carol Deis
Secretary