Dear Senators RICE, Den Hartog, Jordan, and Representatives BOYLE, Dayley, Erpelding:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the Idaho State Police - Idaho State Brand Board:

IDAPA 11.02.01 - Rules of the Idaho State Brand Board - Temporary and Proposed Rule (Docket No. 11-0201-1701).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative Services. The final date to call a meeting on the enclosed rules is no later than 11/22/2017. If a meeting is called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis from Legislative Services. The final date to hold a meeting on the enclosed rules is 12/21/2017.

The germane joint subcommittee may request a statement of economic impact with respect to a proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement, and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has been held.

To notify Research and Legislation, call 334-4834, or send a written request to the address on the memorandum attached below



Legislative Services Office Idaho State Legislature

Eric Milstead Director Serving klaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate Agricultural Affairs Committee and the House

Agricultural Affairs Committee

FROM: Deputy Division Manager - Katharine Gerrity

DATE: November 02, 2017

SUBJECT: Idaho State Police - Idaho State Brand Board

IDAPA 11.02.01 - Rules of the Idaho State Brand Board - Temporary and Proposed Rule (Docket No. 11-0201-1701)

The Idaho State Brand Board submits notice of temporary and proposed rule at IDAPA 11.02.01 - Rules of the Idaho State Brand Board. This is a fee rule. According to the Brand Board, the funds needed to perform the board's regulatory functions and to meet the Governor's recommended budget for FY2018 are inadequate. The temporary rule was adopted on October 2, 2017, increasing cattle and horse brand inspection fees to make up the shortfall. The board notes that inspection fees are increasing from \$0.94 to \$1.19, pasture fees are increasing from \$0.47 to \$0.60 and courtesy cattle brand inspection fees are increasing from \$0.94 to \$1.19. The board adds that these increases will generate an estimated \$462,000 annually. The board notes that the increase moves the board fees closer to the cap set in Section 25-1160, Idaho Code. Additional informational sections have also been added.

The board states that negotiated rulemaking was not conducted but informal meetings were held to discuss the proposed changes. The rulemaking appears to be authorized pursuant to Sections 25-1110 and 25-1160, Idaho Code.

cc: Idaho State Police - Idaho State Brand Board Amy Jordan

IDAPA 11 – IDAHO STATE POLICE IDAHO BRAND BOARD

11.02.01 – RULES OF THE IDAHO STATE BRAND BOARD DOCKET NO. 11-0201-1701 (FEE RULE)

NOTICE OF RULEMAKING - TEMPORARY AND PROPOSED RULE

EFFECTIVE DATE: The effective date of the temporary rule is October 2, 2017.

AUTHORITY: In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted a temporary rule, and proposed rulemaking procedures have been initiated. The action is authorized pursuant to Sections 25-1160, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than November 15, 2017.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

The funds needed to perform the Board's regulatory functions and to meet the Governor's recommended budget for FY2018 are inadequate. The Brand Board adopted the temporary rule on October 2, 2017, increasing cattle and horse brand inspection fees to make up this shortfall. The increases move the Board fees closer to the cap set in Section 25-1160, Idaho Code. Additionally, informational sections are being added at the beginning of the rule as part of this rulemaking and example forms used for Board business are being removed from the rule. Forms used for conducting business with the Board are available at the Board office.

TEMPORARY RULE JUSTIFICATION: Pursuant to Sections 67-5226(1) Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

This temporary rule is necessary to protect the public health, safety, and welfare; the fee increases will allow the Board to continue to provide the necessary quality regulatory services to the Idaho Livestock Industry. Without these fee increases the Board faces a budget shortfall for FY2018 and beyond, which will result in the Board's inability to provide its statutorily required services and perform its regulatory oversight duties.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased:

As per the cap set in Section 25-1160, Idaho Code, our cattle inspection fees will increase from \$.94 to \$1.19. Pasture fee will increase from \$.47 to \$.60, our courtesy cattle brand inspection fee will increase from \$.94 to \$1.19.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than \$10,000 during the fiscal year:

This will not have a negative fiscal impact on the state general fund, as these are dedicated funds. An estimated \$462,000 will be generated by the Idaho livestock industry annually.

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(1), Idaho Code, negotiated rulemaking was not conducted however, informal meetings were held with stake holders to discuss the proposed changes.

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: N/A

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the temporary and proposed rule, contact Larry A. Hayhurst, State Brand Inspector, at (208) 884-7070.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before November 22, 2017.

DATED this 2nd day of October, 2017.

Larry A. Hayhurst Idaho State Brand Inspector 700 S. Stratford Drive. Meridian, ID 83642 Phone: (208) 884-7070 Fax: (208) 884-7097 Idaho State Brand Board P.O. Box 1177 Meridian, ID 83680

THE FOLLOWING IS THE TEMPORARY RULE AND THE PROPOSED TEXT OF FEE DOCKET NO. 11-0201-1701 (Only Those Sections With Amendments Are Shown.)

| 004. | OFFICES, MAILING ADDRESS, And OFFICE HOURS, WEB ADDRESS, AND FORMS. | | | |
|----------|---|---|----------------------------|--|
| | <u>01.</u> | Office Hours. Office hours are Monday through Friday, 8 a.m. to 5 p.m. | (10-2-17)T | |
| Idaho 8 | <mark>02.</mark> 3680-117 | Mailing Address. The mailing address of the Idaho State Brand Board is P.O. Box 11777. | 7, Meridian, (10-2-17)T | |
| | <u>03.</u> | Main Office and District Offices - Street Addresses and Phone Numbers. | (10-2-17)T | |
| | <u>a.</u> | Main Office. 700 S. Stratford, Meridian, Idaho 83642. Phone Number - 208-884-7070. | (10-2-17)T | |
| | <u>b.</u> | Lewiston Office. 1118 F St, Lewiston, Idaho 83501. Phone Number - 208-799-5019. | (10-2-17)T | |
| | <u>c.</u> | Caldwell Office. 1900 E. Chicago, Caldwell, Idaho 83605. Phone Number - 208-459-4 | <u>231.</u> (10-2-17)T | |
| | <u>d.</u> | Twin Falls Office. 630 Railroad Avenue, Twin Falls, Idaho 83301. Phone Number - 208 | 8-733-8270. (10-2-17)T | |
| | <u>e.</u> | <u>Idaho Falls Office. 701 Northgate Mile, Idaho Falls, Idaho 83401. Phone Number - 208</u> | 8-522-6676. (10-2-17)T | |
| | <u>04.</u> | Internet Address. https://www.isp.idaho.gov/brands/index.html. | (10-2-17)T | |
| office h | 05. nours <i>at 7</i> | Forms. Any or all fForms used by the Idaho State Brand Board are available for inspector of S. Stratford, Meridian, Idaho 83642 at the main Board office and at the district office (3-30-01) | ection during <u>s</u> . | |

(BREAK IN CONTINUITY OF SECTIONS)

034. SCHEDULE OF FEES FOR THE IDAHO STATE BRAND BOARD.

01. Fees. Fees authorized by the State Brand Board and to be collected by the State Brand Inspector are as follows:

| SCHEDULE OF FEES | | | | |
|--|--|--------------------------------|--|--|
| Recording of a Brand | \$50 initial recording fee plus a \$20 per year prorated staggered renewal fee every year thereafter | | | |
| Transfer of a recorded brand | \$ | 50.00 | | |
| Renewal of a recorded brand (every five years) | \$1 | 00.00 | | |
| Duplicate brand registration certificate | 9 | 31.50 | | |
| Ownership and transportation certificate | \$35.00 | | | |
| Duplicate ownership and transportation certificate | \$5.00 | | | |
| Annual inspection equine or bovine | \$5.00 | | | |
| | CATTLE | HORSES | | |
| Brand inspection (per head) | \$.94 <u>1.19</u> | \$1.50 | | |
| Idaho livestock to pasture (per head) | \$.47 <u>.60</u> | \$.75 | | |
| Minimum auction fee (per day) | \$50.00 | \$50.00 | | |
| Minimum field brand inspection fee | \$ 10 <u>20</u> .00 | \$ 10 <u>20</u> .00 | | |
| Courtesy brand inspection | \$.94 <u>1.19</u> | \$1.50 | | |

| Fees To Be Collected By The State Brand Inspector For Other State Agencies: | | | |
|---|--------|--|--|
| Idaho Beef Council (per head) | \$1.50 | | |
| Idaho Horse Board (per head) | \$3.00 | | |
| Idaho Department of Agriculture: | | | |
| Animal health (per head) | \$.22 | | |
| Predator control (per head) | \$.05 | | |

(3-27-13)(10-2-17)T

O2. Due and Payable. Pursuant to Section 25-1160(5), Idaho Code, all brand inspection fees, and all other fees required to be collected by the Brand Inspector are due and payable at the time of inspection, except that livestock owners may make arrangements with a deputy brand inspector to pay for all accumulated brand inspection fees within each seven (7) day period. Failure to comply with this rule will cancel the previously approved schedule and shall make all fees immediately due and payable. Feedlots, currently approved by the Idaho Department of Agriculture, and slaughter plants are exempt from the minimum brand inspection fee. Other minimum brand inspection fees may be waived at the discretion of the State Brand Inspector or District Brand Supervisor. (3-30-01)

(BREAK IN CONTINUITY OF SECTIONS)

IDAHO BRAND BOARD Rules of the Idaho State Brand Board

Docket No. 11-0201-1701 (Fee) Temporary & Proposed Rule

041. -- 049<u>50</u>. (RESERVED)

050. LOCATIONS OF THE OFFICES OF THE IDAHO STATE BRAND BOARD.

| 01. | Main Office. 700 S. Stratford, Meridian, Idaho 83642. | (3-30-01) |
|----------------|--|----------------------|
| 02. | District Brand Offices. | (7-1-93) |
| a. | Lewiston, 2780 North & South Highway, Lewiston, Idaho 83501. | (7-1-93) |
| b. | Caldwell, 1900 E. Chicago, Caldwell, Idaho 83605. | (3-30-01) |
| e . | Twin Falls, 630 Railroad Avenue, Twin Falls, Idaho 83301. | (7-1-93) |
| d. | Idaho Falls, 701 Northgate Mile, Idaho Falls, Idaho 83401. | (7-1-93) |

PROPOSED RULE COST/BENEFIT ANALYSIS

Section 67-5223(3), Idaho Code, requires the preparation of an economic impact statement for all proposed rules imposing or increasing fees or charges. This cost/benefit analysis, which must be filed with the proposed rule, must include the reasonably estimated costs to the agency to implement the rule and the reasonably estimated costs to be borne by citizens, or the private sector, or both.

| Department or Agency:IDAHO STATE POLICE/IDAHO BRAND BOARD | | | | | |
|---|--|--|--|--|--|
| Agency Contact: LARRY A HAYHURST/DEBBIE NEIDER_ Phone: 208-884-7070 | | | | | |
| Date: _October 5, 2017 | | | | | |
| IDAPA, Chapter and Title Number and Chapter Name: | | | | | |
| _11.02.01.034Schedule of fees for the Idaho Brand Board | | | | | |
| Fee Rule Status: Proposed _X_ Temporary | | | | | |
| Rulemaking Docket Number:11-0201-1701_ | | | | | |

STATEMENT OF ECONOMIC IMPACT: This will not have a negative fiscal impact on the State General Fund, as we are dedicated funds. An estimated \$462K will be generated by the Idaho Livestock Industry.