

MINUTES  
**SENATE AGRICULTURAL AFFAIRS COMMITTEE**

**DATE:** Thursday, January 24, 2019  
**TIME:** 8:00 A.M.  
**PLACE:** Room WW53  
**MEMBERS PRESENT:** Chairman Guthrie, Vice Chairman Den Hartog, Senators Patrick, Harris, Mortimer, Lent, Bayer, Jordan, and Nelson  
**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 Guthrie** called the meeting to order at 8:00 a.m.

**PRESENTATION:** **Idaho Teacher of the Year. Marc Beitia**, Mayor of American Falls, Idaho, and Teacher at American Falls High School, explained that he began his career as a teacher in 1990 at American Falls High School. He explained that the demographics of the High School at the time were very different. There were mostly caucasian students who came from affluent families. Today, however, 70 percent of the students are socially and economically disadvantaged; 40 percent of that 70 percent live in poverty, and half of the student body are either Hispanic or Native American. He explained that despite their overall disadvantages, the students rank nationally in the top ten among Future Farmers of America (FFA). Mayor Beitia explained that money should never be the reason that students do not fulfill their potential. American Fall High School has always been able to garner support and raise funds with the help of their Advisory Committee so that no student has to pay for any activities outside of school. With the help of their Advisory Committee, American Falls High School is able to raise in excess of \$50 thousand dollars annually to help their students fulfill their dreams. He explained that not all of their students go on to a four-year University. Some of them go to work right out of high school, and others go on to a two-year technical program. The charge of the agricultural program of American Falls High School is to meet the needs of the workforce required by that community. Mayor Beitia explained that the single most significant change in the direction that their Advisory Committee took was because of some of their work in the Idaho Agriculture Initiative (IAI) and the Idaho Quality Program Standards (IQPS). The IQPS, he explained, is probably the single most important piece of legislation that has helped their agriculture program and its teachers to work with the industry in order to meet the needs of the community and help students fulfill their future goals.

**PRESENTATION:** **Economic Condition of Idaho Agriculture. Dr. Garth Taylor**, Associate Professor, Department of Agricultural Economics and Rural Sociology, University of Idaho (UI), explained that Idaho agriculture is the fourth largest agricultural economy in the United States. He explained that every other job in the Magic Valley is created directly, or indirectly, by agriculture. He continued to explain that production numbers were up in 2018. There were record breaking numbers in sugar beet production and other products, including hay. However, the prices on those products were very bad. He explained that livestock and dairy account for well over half of Idaho's cash receipts; since the late 1990's, Idaho been a livestock-oriented state. There are over 600,000 cows in the State of Idaho with each one needing about 3/4 of an acre of forage in order to sustain their growth. He explained that Idaho has continued to outpace the rest of the country in cash

receipts, which have grown by 47 percent since 1947. This is largely due to production increases. He explained that Idaho is up 151 percent in dairy production since 1997. Idaho is expecting its fourth year of growth in agriculture exports. Idaho mostly exports its produce to Mexico, Canada, and China.

**The Condition of the Agriculture Department at the University of Idaho (UI).** Dr. Michael Parrella, Dean of the College of Agricultural and Life Sciences (College), UI, introduced some facts concerning the UI. The UI, and in particular, the College are looking for stakeholder and legislative investment going forward. He explained that there are 225 faculty members in the College, 25 percent of whom are going to be retiring over the next few years. Therefore, it is very important that they recruit the best career faculty possible to ensure a stable future for the College and provide the very best service to the agriculture industry. He explained that the College also needs adequate facilities in order to recruit the very best faculty. They're mostly concerned with investments in their Research and Extension Centers where half of their faculty are located.

**Clean Drinking Water and Water Quality Research.** Dr. Gregg Moeller, Professor, College of Agricultural and Life Sciences (College), University of Idaho (UI), began his presentation talking about his current research project called Waterquest, which is a competitive research project. In terms of global impact, they are benefiting the lives of millions of people throughout the world, treating billions of gallons of water worldwide. They engineer very efficient processes, which allow them to treat more water. They're very fortunate in terms of their patents, which have enabled them to have start-up businesses. One of them, called Nexum, is located in Post Falls, Idaho with about a dozen engineers adding to the economy of that community. The impacts of this water cleaning technology are felt throughout the entire State of Idaho. It helps keep Idaho's rivers, lakes, and streams clean. They have impacts across the United States with industry-leading technology to remove nutrients and prevent harmful algae blooms, which are prevalent in Idaho and across the nation.

**PASSED THE GAVEL:**

**DOCKET NO.**  
**02-0601-1801**

Chairman Guthrie passed the gavel to Vice Chairman Den Hartog to introduce the presenters for the rules.

**Rules Governing Pure Seed Law.** Dan Salmi, Bureau Chief, Agricultural Bureau of Laboratories, explained that they did conduct negotiated rulemaking this past summer and presented proposed changes to the Seed Laboratory Advisory Board (Laboratory). This is a pending fee rule. The Laboratory's mission is to conduct germination and special testing on customer samples and enforcement samples. Idaho Administrative Procedures Act (IDAPA) 02-06-01.501 lists the different special services and fees for seed testing and was last updated in 2006. Based on customer demands, the services offered by the Laboratory have changed since this test rule was last updated. Currently, for any test requested that is not listed on their fee schedule, customers are charged on a miscellaneous fee rule of \$40 per hour. To provide clarity to their customers on the services and prices, they propose updating the list of services.

**DISCUSSION:**

**Senator Mortimer** asked if there are any fees assessed on the enforcement side of their business. **Mr. Salmi** answered that there are no such fees assessed.

**Senator Patrick** asked if Mr. Salmi could tell him the difference between the foreign material deletion test and the seed lab service fee. **Mr. Salmi** answered that the foreign material deletion test focuses on making sure that there are no metals or other inorganic materials mixed in with the seed.

**Senator Patrick** asked if they still test for dirt in the samples. **Mr. Salmi** answered that there is something on their fee schedule that covers dirt

**Senator Lent** asked whether the seed testing is associated with the current litigation surrounding the "Roundup Ready" product. **Mr. Salmi** answered that he does not know what their clients do after they've done their tests.

**MOTION:**

**DOCKET NO.  
11-0201-1801**

**Senator Patrick** moved to approve Docket No. 02-0601-1801. **Senator Mortimer** seconded the motion. The motion carried by voice vote.

**Rules of the Idaho State Brand Board.** **Cody Burlile**, Inspector, Idaho State Brand Board (Board), explained this is a pending fee rule regarding the rules of the Board. The rule increases the brand inspections by \$.25 to \$1.19, and the minimum brand inspection fee from \$10 to \$20. This proposed fee change moves the fee closer to the maximum fee of \$1.25 per head, which is set in Idaho Code § 25-1160. This fee change will also affect the fee schedule for a courtesy brand inspection, which is the same fee as all regular brand inspections. The Idaho livestock to pasture inspection will be increased from \$.47 to \$.60 per head. These proposed fee changes are estimated to raise an additional \$473,000 annually for the Board. The reason for these fee changes is to eliminate the budget shortfalls that have dated back to fiscal year (FY) 2016.

**DISCUSSION:**

**Senator Lent** asked why the revenues were down and the costs were up since fiscal year 2016. **Mr. Burlile** answered that there were deficits each year dating back to FY 2016 due to increased costs and fewer brand inspections.

**Senator Lent** asked whether or not the Board is trying to come up with cost-saving measures with technology or by other means. **Mr. Burlile** answered that they are in the process of implementing a software database, which over time will save costs.

**Senator Nelson** asked about the statutory limit of \$1.25 per head and whether or not it is anticipated that they will change it in the future. **Mr. Burlile** answered that they may have to change it in the future, but they will do everything in their power to avoid increasing fees.

**Senator Mortimer** asked whether all of those funds were dedicated funds and not general funds put into this department. **Mr. Burlile** answered that it is correct; they are funded solely on dedicated funds.

**TESTIMONY:**

**Wyatt Prescott**, Idaho Cattle Association, testified in support of approving the fee rule. He explained that the services provided by the Board are absolutely necessary, along with the increased fees, in order to safeguard the cattle and provide the best service for Idaho's cattle producers.

**DISCUSSION:**

**Vice Chairman Den Hartog** remarked that Docket No. 11-0201-1801 would be held at the call of the Chair.

**ADJOURNED:**

There being no further business, Vice Chairman Den Hartog adjourned the meeting at 9:32 a.m.

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Senator Guthrie  
Chair

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Jacob Garner  
Secretary