

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, January 31, 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 of the Senate Agricultural Affairs Committee (Committee) to order at 8:00 a.m.

MINUTES APPROVAL: **Senator Nelson** moved to approve the minutes of January 15, 2019. **Senator Mortimer** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Harris** moved to approve the minutes of January 17, 2019. **Vice Chairman Den Hartog** seconded the motion. The motion carried by **voice vote**.

S 1024 **Tiffany Floyd**, Air Quality Division Administrator, Idaho Department of Environmental Quality (DEQ), explained that this is a proposed amendment to the language in Idaho Code § 39-114. It relates to when the burn fee and the crop residue burning program is paid. In 2008, the Idaho Legislature enacted Idaho Code § 39-114, which requires DEQ to manage the burning of crop residue. It specifically states that anyone planning to burn crop residue must pay a fee in the amount of \$2 per acre to the DEQ prior to burning. This citation requires growers to estimate acreage they expect to burn and pay the fee without knowing air quality or weather conditions that could affect their burning. This has resulted in growers overpaying for actual hours burned and has also caused difficulties for the DEQ in managing payments or credits to the grower fee accounts. The DEQ determined that a payment based on actual hours burned would eliminate these situations, so they are proposing to change the timing of when fees are paid to an annual invoice for the actual acres burned. This legislation will have no fiscal impact to the State of Idaho.

MOTION: **Senator Mortimer** moved to send **S 1024** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

PRESENTATION: **Statewide Budget and Budgeting Process.** **Rob Sepich**, Senior Budget and Policy Analyst, Legislative Services Office (LSO), briefly explained the organization and structure of the Budget and Policy Analysis Division (Division) along with its main duties and functions. **Mr. Sepich** briefly explained the Idaho Decision Unit Budget Model, along with each of its six benchmarks, which helps the Division to more effectively analyze the various state government agencies. **Mr. Sepich** continued to explain the budget of the Idaho State Department of Agriculture (ISDA), along with its operating budget, fund categories, and other expenditures associated with the ISDA. **Mr. Sepich** also explained ISDA's fiscal year (FY) 2020 request budget, along with the ISDA's free fund balances, which covered items from general fund balances to federal grant funds. **Mr. Sepich** provided a historical summary of the Idaho Soil and Water Conservation Commission (SWCC) budget, as well as a division description of the SWCC. Mr. Sepich briefly explained the

SWCC FY 2020 budget request, which also covered both FY 2019 original and total appropriations and estimated expenditures.

DISCUSSION: **Vice Chairman Den Hartog** asked Mr. Sepich how to determine the number of current full-time positions that are vacant within the ISDA. **Mr. Sepich** answered that the number of vacancies changes on any given day due to turnover, and they can report the number of positions vacant when the ISDA submits its budget report.

Senator Patrick stated that he noticed the budget items for the ISDA's Invasive Species Program had decreased, despite the fact that the problems associated with invasive species have not gone away, and asked Mr. Sepich if he could explain that detail. **Mr. Sepich** answered that the Division likes to assume all funds appropriated will be expended, and that there will be some reversions which will change the total budget for that year.

Senator Nelson asked Mr. Sepich about the federal grant funds and why they were negative. **Mr. Sepich** answered that because the federal government has a different fiscal year, there can be some issues as to when those funds arrive with state agencies.

Senator Mortimer asked why there was no itemization of replacement items in the ISDA budget and asked for more detail. **Mr. Sepich** answered that some replacements within the ISDA include computers, networking equipment, fleet vehicles and accessories, and a 10-wheel truck.

Vice Chairman Den Hartog asked what types of federal funds would go towards paying for the internal accounting that is done among the various state agencies. **Mr. Sepich** answered that there are many federal grants which will allow for administrative costs.

Senator Harris asked Mr. Sepich if there are strings attached to those federal grants. **Mr. Sepich** answered that there can be strings attached but that it will depend entirely on what type of federal grant it is.

Senator Nelson asked Mr. Sepich if he could explain base adjustments. **Mr. Sepich** answered that base adjustments are ones in which the Division would either increase or decrease the various agency budgets as needed.

Senator Nelson asked what the rationale was for splitting the line item between the General Fund and the Dedicated Fund as they relate to the ISDA budget. **Mr. Sepich** answered that in terms of the statutory makeup of the ISDA, about two-thirds of it is on the General Fund, with one-third being on fees collected.

Chairman Guthrie asked Mr. Sepich if he could speak to the full-time positions within the ISDA and how the Division analyzes that issue. **Mr. Sepich** answered that the Division budgets assuming the ISDA will be able to fill all of the full-time positions.

ADJOURNED: There being no further business, **Chairman Guthrie** adjourned the meeting at 8:57 a.m.

Senator Guthrie
Chair

Jacob Garner
Secretary