

MINUTES  
**SENATE AGRICULTURAL AFFAIRS COMMITTEE**

**DATE:** Tuesday, February 19, 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.

**INTRODUCTION:** **Lauren Pattee**, Senate page, introduced herself to the Committee. She is from Eagle, Idaho and attends Eagle High School, works part-time as a certified nursing assistant, and plans to attend BYU this summer and study to become a radiologist. She is excited and honored to work as a page for the Idaho Senate this session.

**MINUTES APPROVAL:** **Senator Patrick** moved to approve the Minutes of January 24, 2019. **Senator Mortimer** seconded the motion. The motion carried by **voice vote**.

**MINUTES APPROVAL:** **Senator Bayer** moved to approve the Minutes of January 29, 2019. **Senator Jordan** seconded the motion. The motion carried by **voice vote**.

**H 60**  
**Relating to Cooperative Marketing Cooperative Associations.**  
**Representative Britt Raybould**, Idaho House of Representatives, explained that this legislation aligns Idaho's cooperative association statute with existing Capper-Volstead Act provisions by adding a "one man, one vote" membership option. This change ensures that Idaho's statute is not more restrictive than federal law. **Representative Raybould** stated that there is no fiscal impact to the General Fund from this change.

**DISCUSSION:** **Senator Mortimer** asked Representative Raybould if she could give some context as to why this legislation is needed. **Representative Raybould** answered that adding the "one man, one vote" policy to this legislation ensures that you are not diluting the value that you have to contribute to the cooperative.

**Senator Mortimer** asked Representative Raybould if she could give an example of some of the cooperatives in Idaho that would be affected by this legislation. **Representative Raybould** answered that this legislation does not affect existing cooperatives, but will primarily affect new cooperatives.

**Senator Patrick** asked Representative Raybould if organizations count as one vote or multiple votes. **Representative Raybould** answered that your membership is derived, in a marketing cooperative, based on how you joined. If you joined as a farming entity, for example, you would have one vote as an entity.

**MOTION:** **Senator Patrick** moved to send **H 60** to the floor with a **do pass** recommendation. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL APPOINTMENT VOTE:** **Senator Harris** moved to send the Gubernatorial appointment of Celia R. Gould as the director of the Idaho State Department of Agriculture to the floor with recommendation that she be confirmed by the Senate. **Senator Mortimer** seconded the motion. The motion carried by **voice vote**.

**GUBERNATORIAL APPOINTMENT:** **Appointment of Erik Olson of Bonner's Ferry, Idaho to the Idaho Soil and Water Conservation Commission (ISWC) to serve a term commencing July 10, 2018 and expiring July 1, 2023.**

**DISCUSSION:** **Vice Chairman Den Hartog** asked Mr. Olson if he had served in this capacity previously. **Mr. Olson** answered that he served on a local conservation district for about four years.

**Vice Chairman Den Hartog** asked Mr. Olson what opportunities there might be with the ISWC, especially with his new role. **Mr. Olson** answered that during his tenure he wants to emphasize the importance of the ISWC as a good steward of the land.

**Senator Mortimer** asked Mr. Olson what challenges there might be with the ISWC. **Mr. Olson** answered that he thinks there are challenges with education as to why soil and water conservation is so important.

**PRESENTATION:** **Idaho Future Farmer of America (FFA). 2018-2019 Idaho FFA State Officers: Saydee Longhurst, President; Harrison Jansen van Beek; Vice President, Allyson King; Secretary, Melanie Searle, Treasurer; Savannah Stroebel, Reporter; Caleb Johnson, Sentinel.** Each member from the FFA briefly described their respective roles and responsibilities within the organization; emphasizing the importance the FFA has in preparing young men and women for future careers in agriculture and other industries, as well as preparing them to become future leaders in the State of Idaho.

**PRESENTATION:** **Idaho Dairman's Association (IDA). Rick Naerebout**, Chief Executive Officer, IDA, explained that over 40 percent of their dairy producers have 500 cows or less, which is considered to be medium or smaller sized dairies. However, another 40 percent of IDA's membership milks 1000 cows or more. **Mr. Naerebout** explained that there are 457 dairies in Idaho milking about 592,000 cows. In the last year alone, 15 to 20 dairy operations have gone out of business but 12,000 cows have been added to Idaho's total head count. **Mr. Naerebout** explained that the majority of the dairy industry in Idaho is located in the Magic Valley. Sixty percent of dairy production and 73 percent of the cows come from the Magic Valley. The average herd size in the Magic Valley is about 1,600 cows per dairy. The Treasure Valley currently produces 18 percent of dairy products and has about 22 percent of Idaho's cows, which has increased by 100 cows per dairy over the past year. **Mr. Naerebout** also explained that one of the issues with Idaho's dairy industry is that more dairies are going out of business due to a lack of interest from the rising generation. Glanbia Foods, which produces 13.5 million pounds of milk per day, and Jerome Cheese contribute to half the total milk production in Idaho, making the dairy industry very dependent on those two companies. **Mr. Naerebout** also explained that there has been about a two percent increase in milk production over the past several years. This is a problem because the State of Idaho alone has overproduced by 1.5 million to 2 million pounds of milk per day, causing many companies to have to liquidate their assets and sell off what they could. **Mr. Naerebout** explained that one of the main duties of the IDA is to go out and attract potential processors and bring their business to Idaho in order to keep the dairy industry afloat. Immigration is key to dairy production in Idaho. **Mr. Naerebout explained** that 90 percent of the dairy industry's workforce is foreign born, which makes the issue of immigration that much more important to the State of Idaho. Currently, there is no visa program for the dairy industry that would allow for undocumented immigrants to work in Idaho. **Mr. Naerebout** stated that

the main focus of the IDA in regard to immigration is to push for legal status for all current undocumented dairy workers, not force them out of country to gain legal status, and to provide legal status for immediate family members. Another focus of the IDA for the rest of 2019 is to hope that dairy prices improve so that profitability can increase in the near future.

**DISCUSSION:** **Senator Harris** asked Mr. Naerebout if there are any efforts to encourage the next generation to work in the dairy industry. **Mr. Naerebout** answered that there is nothing specifically that the IDA is doing to encourage the next generation.

**Senator Mortimer** asked Mr. Naerebout if there is an increase in the use of automated milking systems in Idaho. **Mr. Naerebout** answered in the affirmative.

**Senator Nelson** asked Mr. Naerebout what the IDA's expectations are from the Center for Agriculture, Food and the Environment project at the University of Idaho. **Mr. Naerebout** answered that their expectation is to help the environment through better management of the manure that comes from Idaho's dairies, and perhaps make it a revenue stream for dairy producers by using it as fertilizer.

**ADJOURNED:** There being no further business, **Chairman Guthrie** adjourned the meeting at 9:00 a.m.

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Senator Guthrie  
Chair

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Jacob Garner  
Secretary