

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Wednesday, March 11, 2020

TIME: 8:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Harris, Vice Chairman Armstrong, Representatives Crane, Palmer, Barbieri, Holtzclaw, Monks, Zito, Scott, Andrus, Hartgen, Young, Smith, Gannon, Green

**ABSENT/
EXCUSED:** None

GUESTS: Bonny Jo Peterson, Industrial Hemp Association of Washington, Stecey Satterlee, Idaho Grain and Food Producers, Clint Shock, Medicinal Botanical Seed and Scientific Ecological Services

Chairman Harris called the meeting to order at 8:01 AM.

MOTION: **Rep. Andrus** made a motion to approve the minutes from the February 25, 2020 meeting. **Motion carried by voice vote.**

MOTION: **Rep. Andrus** made a motion to approve the minutes from the February 28, 2020 meeting. **Motion carried by voice vote.**

MOTION: **Rep. Andrus** made a motion to approve the minutes from the March 2, 2020 meeting. **Motion carried by voice vote.**

H 617: **Rep. Moyle** said **H 617** changes the way rules are considered by the legislature. **H 617** states rules must pass through the House and the Senate in a series of concurrent resolutions the governor cannot veto. He said this bill was a path forward concurring with the Senate. **Rep. Moyle** said if **H 617** passes, there will no longer be one "going home bill" but a series of resolutions.

MOTION: **Rep. Palmer** made a motion to send **H 617** to the floor with a **DO PASS** recommendation.

In response to committee questions, **Rep. Moyle** said for a rule to be in effect, it must pass both bodies. He said LSO tracks rules that have been approved along with committee chairmen and committee members. **Rep. Moyle** said under **H 617** everyone looks at all the rules and it is easier to look at shorter resolutions than an omnibus bill. He said this bill follows the Idaho Constitution and is retroactive to include rules approved in the current legislative session.

VOTE ON MOTION: **Motion carried by voice vote.** **Rep. Smith** requested to be recorded as voting **NAY.** **Rep. Moyle** will sponsor the bill on the floor.

Chairman Harris said testimony for **S 1345** would continue from the March 10, 2020 meeting.

S 1345: **Dennis Shaver** testified he was hired to organize hemp co-ops in Colorado. He said a good industry needs good seed, good farmers with good land, good extractors, and a reliable market. He said Idaho had all those qualities but he was in opposition to **S 1345** because it is not a farm bill. He said hemp is a good crop but law enforcement should not be involved and is the wrong agency to deal with the issue. He strongly supports the hemp industry coming to Idaho but not as this kind of legislation.

In response to committee questions, **Mr. Shaver** said it would be very difficult to process and make other products in the state under **S 1345**. Mr. Shaver commended **Rep. Troy** for all her hard work but said **S 1345** appears to be a compromise with law enforcement about issues that existed a year ago but not today.

Bonny Jo Peterson, Industrial Hemp Association of Washington, testified she was involved in writing the state hemp plan for Washington. Ms. Peterson said she does not believe **S 1345** would allow the selling of hemp in Idaho but simply interstate transport and commerce. In response to committee questions, Ms. Peterson said the Department of Agriculture is much more prepared to monitor and implement **S 1345** than law enforcement. She said members of her association want any legislation but they would prefer the oversight of the Department of Agriculture.

Scott Bandy, Ada County Prosecutor's Office, testified **in support** of **S 1345**. He said **S 1345** is minimally intrusive and allows a hemp plan to be developed. He said this is not a law enforcement bill but any plant is grown in consultation with law enforcement. He said **S 1345** allows law enforcement to distinguish between hemp and marijuana.

Randy Cox, Hemp Industries Association of Idaho, testified **S 1345** allows the Department of Agriculture to develop a hemp program that keeps the state in charge. He said Idaho has an opportunity to get involved in the seed certification process for hemp. In response to committee questions, Mr. Cox said there is not a black market for hemp, only one for marijuana.

Roger Canyon testified he moved to Idaho because it does not have a hemp or marijuana culture. He said by legalizing hemp, the state will be welcoming cartels and gangs who will take advantage of loopholes and create a black market. He said once the door is open it will be almost impossible to shut.

John Steiner testified **in support** of **S 1345**. He said **S 1345** will provide jobs, revenue, and industry to the agricultural community.

Clint Shock testified **S 1345** is indirectly about pain and relief from chronic symptoms and the opioid crisis but it is directly about planting, growing, and processing hemp. He said he is working to design plants that are mechanized and fit environments and seasons. He said **S 1345** is intended to allow farmers to produce hemp competitively but it instead creates new ways for them to be prosecuted.

Matt Dorsey testified **in support** of **S 1345**. He said without **S 1345**, farmers would not be able to grow hemp until 2021. He said **S 1345** threads the needle and is a good compromise because everyone has given up something and no one is happy. In response to committee questions, Mr. Dorsey said infrastructure is necessary to produce hemp efficiently.

Hari Heath testified **in opposition** to **S 1345**. He said **S 1345** is unworkable and unfixable. He said he supports growing hemp but **S 1345** is a bad bill.

Douglas Jones testified **in support** of **S 1345**. He said there is not a perfect piece of legislation but this is the first step. He said Idaho already has seed research facilities and seed businesses and processing businesses. He said **S 1345** fixes transportation issues and instructs the ISDA to start the planning process for approval from USDA. Nothing will happen before that approval, which is contingent on direction from the legislature. In response to committee questions. Mr. Jones testified **S 1345** allows farmers to grow and sell seed but first infrastructure and a seed certification process is necessary.

Monty Stiles testified the hemp culture is the culture of marijuana. He said hemp and marijuana are the same plant with different characteristics. His concern is primarily regarding children and increased drug use. He said the hemp industry and the black market go hand in hand. Mr. Stiles said growing hemp in Idaho is not a legal requirement but a policy choice. He said the legislature can allow it but regulate it as well. He said the hemp industry is the marijuana industry with a better public relations campaign. In response to committee questions, Mr. Stiles said he is in favor of strong regulations but opposes the promotion of hemp on the state level.

Brady Jensen, Idaho Farm Bureau, testified in support of **S 1345** and it is a good compromise. He said if people have the proper licenses they will not face criminal action. In response to committee questions, Mr. Jensen said it would be difficult for marijuana growers to hide under this law because of testing and sample standards that would be implemented. He said the federal government sets minimum standards and **S 1345** just asks for a plan to be made. He said growers with licenses have a certain amount of protection but if it goes above the margin of error when tested, the crop still needs to be destroyed and will be by government personnel, which would be addressed in the state plan.

Rod Skyles testified in opposition of **S 1345**. He said there were not enough safeguards for farmers and hemp with THC levels between .3 percent and 10% is basically worthless.

Corey Marshall testified in support of **S 1345**. He said hops and hemp are closely genetically related and are handled similarly.

In closing, **Rep. Troy** said it has been challenging to find a bill that is just right. She said hemp culture is not the same as marijuana culture. **S 1345** addresses transportation issues and allows the Department of Agriculture to negotiate rules. She said they worked to make this the best for farmers and everyone involved.

MOTION: **Rep. Hartgen** made a motion to send **S 1345** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: **Rep. Scott** made a substitute motion to send **S 1345** to General Orders. Speaking to her motion, Rep. Scott said the legislature needs to move forward but not in this way.

During discussion on the substitute motion, committee members expressed opposition to the substitute motion and said the issue was too complex for General Orders.

AMENDED SUBSTITUTE MOTION: **Rep. Barbieri** made an amended substitute motion to **HOLD S 1345** in committee.

During discussion on the amended substitute motion, committee members expressed opposition to holding **S 1345** in committee because it was a significant compromise and it brings a commodity into the state.

VOTE ON AMENDED SUBSTITUTE MOTION: Roll call vote was requested. **Motion carried by a vote of 8 AYE, 7 NAY. Voting in favor** of the amended substitute motion: **Reps. Harris, Armstrong, Crane, Palmer, Barbieri, Holtzclaw, Scott, Young. Voting in opposition** to the amended substitute motion: **Reps. Monks, Zito, Andrus, Hartgen, Smith, Gannon, Green.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:04 AM.

Representative Harris
Chair

Devon Powers
Secretary