

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Tuesday, February 01, 2022

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Burtenshaw, Vice Chairman Bayer, Senators Patrick, Den Hartog, Blair (Johnson), Zito, Ricks, Nelson, and Semmelroth

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 Burtenshaw** called the meeting of the Senate Agricultural Affairs Committee (Committee) to order at 8:01 a.m.

MINUTES APPROVAL: **Senator Bayer** moved to approve the Minutes of January 20, 2022. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

PASSED THE GAVEL: Chairman Burtenshaw passed the gavel to Vice Chairman Bayer.

DOCKET NO. 42-0101-2100F **Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule**, p. 335. **Casey Chumrau**, Executive Director, Idaho Wheat Commission, introduced herself to the Committee. **Ms. Chumrau** advised that there are no fee or language changes in the docket.

MOTION: **Senator Nelson** moved to approve **Docket No. 42-0101-2100F**. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 53-0101-2100F **Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule**, p. 347. **Laura Wilder**, Executive Director, Idaho Barley Commission (IBC), introduced herself to the Committee. **Ms. Wilder** stated the rule is the same as last year's rule docket.

MOTION: **Senator Blair** moved to approve **Docket No. 53-0101-2100F**. **Senator Ricks** seconded the motion. The motion carried by **voice vote**.

PRESENTATION & DISCUSSION: **Idaho Barley Commission Annual Report**. **Ms. Wilder** provided the Committee with the IBC's annual report (see Attachment 1). She gave an overview of the IBC, discussed Idaho barley production, reviewed the economic impact of the Idaho barley industry, and highlighted IBC activities.

Senator Nelson asked about 2021 barley prices. **Ms. Wilder** responded that most prices were contracted prior to the growing season. She said growers with excess barley to sell obtained a higher price last year. **Ms. Wilder** added that the 2022 contracting process started earlier and at higher prices than in 2021. She noted that input prices have also increased.

Senator Patrick inquired whether beer made out of the country with Idaho barley and then shipped back to Idaho is considered an import. **Ms. Wilder** answered yes.

Senator Blair asked the reason for a decrease in beer consumption. **Ms. Wilder** responded that the number of adults consuming alcohol has decreased in the last ten years from 55 percent to 50 percent. She commented that seltzer consumption has increased and consumers have gravitated to lower priced beverages.

Senator Blair inquired about the impacts of shipping challenges and increased Argentina barley production on the Idaho barley industry. **Ms. Wilder** replied that shipping issues have primarily impacted the Asia market. She reported that transportation options are limited and costs have increased significantly. **Ms. Wilder** observed that barley production in other countries has not impacted the Idaho barley industry due to an increase in worldwide demand for barley.

Vice Chairman Bayer asked how barley moves from Idaho to market. **Ms. Wilder** answered that barley is most often shipped by rail to Mexico, the Coors plant in Colorado, and ports in Seattle and Portland.

In response to questions from **Senator Blair** about using ports in other parts of the country, **Ms. Wilder** advised that it is difficult to transfer shipments. There are insufficient numbers of shipping containers and workers at the ports, she said. She advised that the cost of containers has increased dramatically. **Ms. Wilder** stated some Idaho producers also reported delays in receiving shipments of needed equipment.

**DOCKET NO.
60-0501-2100**

Notice of Omnibus Rulemaking - Proposed Rule, p. 159. **Delwyne Trefz**, Administrator, Idaho Soil & Water Conservation Commission (ISWCC), introduced himself to the Committee. **Mr. Trefz** provided an overview of the ISWCC's mission and functions. He stated the text of the rule has not changed from previous years. **Mr. Trefz** explained that the rule was moved from a fee rule to a non-fee rule because there were no fees established in the rule.

DISCUSSION:

Vice Chairman Bayer asked whether participation in the Resource Conservation & Rangeland Development (RCRD) loan program had improved. **Mr. Trefz** responded that ISWCC Commissioners reduced the loan rate by 1.5 percent on August 19, 2021. As a result, there has been increased participation, he said. **Mr. Trefz** noted that some applicants are discouraged by the additional requirements imposed by a federal program. He added that cost and availability of materials has had a negative impact on conservation projects.

MOTION:

Senator Nelson moved to approve **Docket No. 60-0501-2100**. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

**PASSED THE
GAVEL:**

Vice Chairman Bayer passed the gavel to Chairman Burtenshaw.

PRESENTATION:

Idaho Soil & Water Conservation Commission Annual Report. **Mr. Trefz** provided the Committee with the ISWCC's annual report and reviewed its performance measurement report (see Attachments 2 and 3). He discussed challenges with hiring a qualified engineer to fill a critical vacant position. **Mr. Trefz** stated the ISWCC was recently fortunate to hire three new natural resource conservationists who bring energy and enthusiasm to the ISWCC.

Devin Fielding, Division 5 Director, Idaho Association of Soil Conservation Districts (IASCD), introduced himself to the Committee. **Mr. Fielding** gave a brief overview of his background in agriculture and conservation. He explained the history of soil and water conservation districts and their powers and sources of funding (see Attachment 4). **Mr. Fielding** reviewed several IASCD projects. He emphasized the importance of partnerships among government agencies, landowners, and business owners in resource conservation.

ADJOURNED:

There being no further business at this time, **Chairman Burtenshaw** adjourned the meeting at 9:07 a.m.

Senator Burtenshaw
Chair

Jeanne Jackson-Heim
Secretary