

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Tuesday, March 08, 2022

TIME: 8:00 A.M.

PLACE: Room WW53

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

ABSENT/ EXCUSED: Vice Chairman Bayer

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 Nelson** moved to approve the Minutes of February 22, 2022. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

H 642 **SOIL CONSERVATION DISTRICTS** - Amends and repeals existing law to revise provisions regarding the Soil and Water Conservation Commission and to revise provisions regarding supervisors.

Senator Harris, District 32, presented the legislation to revise the composition of the Idaho Soil and Water Conservation Commission (ISWCC) board. He advised the ISWCC board would be increased to seven members, with one member from each of the six conservation districts plus one at large member. He pointed out the process for appointing new board members, length of term, and term limits were set forth on page 4 of the bill.

DISCUSSION: **Chairman Burtenshaw** asked how the number of district supervisors would be determined. **Senator Harris** replied it would be the district supervisors' decision whether to have five or seven supervisors.

Senator Ricks inquired about the reason for the change. **Senator Harris** answered that under current law, the Governor was not obligated to appoint a board member from the list provided by the district supervisors. He explained the bill would restrict the Governor's choice to one of the three names on the local district's list.

MOTION: **Senator Nelson** moved to send **H 642** to the floor with a **do pass** recommendation. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

PRESENTATION & DISCUSSION: **USDA - Idaho Rural Development. Rudy Soto**, Director, United States Rural Development (USRD), introduced himself to the Committee. He commented that it had been rare for USRD to present to the Committee. He suggested the need for future presentations and stakeholder meetings to discuss how to best utilize taxpayer dollars. **Director Soto** explained USRD's history and mission to create prosperity for rural communities.

Senator Blair asked how Director Soto was faring in his new position. **Director Soto** replied that his office did not have a public information officer. He said he was successful in obtaining a new position to increase communication and public engagement. He noted challenges arising from several staff vacancies and uncertain federal funding.

Senator Nelson mentioned he served on the Idaho Broadband Advisory Board. He asked Director Soto for his suggestions on how to better coordinate funding from multiple sources. **Director Soto** responded there were overlapping agencies and different application processes. He said there was a shortage of staff within his agency to process applications and coordinate efforts. He offered to follow up with Senator Nelson and other stakeholder agencies to help solve that challenge.

Director Soto reviewed the structure of Idaho Rural Development. He mentioned he faced staff recruitment and succession planning issues. **Director Soto** described USRD programs for single and multi-family housing loans, community facility financing, business and industry loan guarantees, and home repair grants and loans (see Attachment 1). He listed completed projects around the State.

Senator Patrick asked about interest rates and terms for USRD single family home loans. **Director Soto** answered that the process required additional paperwork but the interest rates were low. He stated he was unsure of the length of the loans but he believed they were 20 years.

Senator Blair asked for an explanation of the Agriculture Innovation Center program. **Director Soto** replied that he would ask a staff person to contact Senator Blair with more information.

Senator Blair inquired about continuity in staffing with a new Presidential administration. **Director Soto** answered that USRD state directors were the only political appointees. He said the career staff provided guidance and continuity.

PRESENTATION: Idaho Wool Growers Association. **Liz Wilder**, Executive Director, Idaho Wool Growers Association (IWGA), introduced herself to the Committee. **Ms. Wilder** provided the history and mission of the IWGA and an overview of the Idaho sheep industry (see Attachment 2). She noted the sheep industry suffered setbacks due to the pandemic and the loss of a Colorado processor. She expressed optimism for the coming years due to the strength of Idaho's sheep industry. **Ms. Wilder** listed the IWGA's 2021 projects, reflecting its mission to promote, educate, and advocate. She described IWGA sponsorships of events related to the sheep industry. She advised the IWGA received two cents per pound of wool sold in Idaho.

DISCUSSION: **Chairman Burtenshaw** asked when lambing season occurred in other parts of the country. **Ms. Wilder** responded that Idaho lambing season primarily occurred from January to March each year. This allowed Idaho lamb to go to market as early as July. She said lambing in surrounding states started the end of April or early May.

Chairman Burtenshaw asked why Idaho restaurants served New Zealand lamb rather than Idaho lamb. **Ms. Wilder** replied that there was not enough domestic supply. She added that the New Zealand and Australia exchange rate was unfavorable to the United States, making lamb imports less expensive than domestic lamb. **Ms. Wilder** said the majority of Idaho lamb went to populous cities and high end restaurants.

PRESENTATION: Idaho Sheep and Goat Health Board Annual Update. **Kimberly Royer**, Chairperson, Idaho Sheep and Goat Health Board (Board), introduced herself to the Committee. **Ms. Royer** gave an overview of the Board's composition, history, and mission. She described an ongoing concern with the United States Department of Agriculture Animal and Plant Health Inspection Service (APHIS) regarding Idaho's scrapie-free status. **Ms. Royer** explained that the closure of the Mountain States Rosin (MSR) processing plant in Colorado resulted in the loss of a location for APHIS-required scrapie disease testing. She noted that APHIS disallowed a number of Idaho flocks from testing due to their size or breed. **Ms. Royer** added the APHIS rules changed frequently and were often inapplicable to the Idaho sheep industry. She listed steps the Board was taking to help Idaho retain its scrapie status.

Ms. Royer mentioned Board partnerships with government and private industry to develop a vaccine for campylobacter and chlamydia and to sponsor continuing education. She reported the Board also provided administrative support for the State Animal Damage Control Board (ADC). She reviewed the composition and duties of the ADC. She described ADC funding sources from wool assessments, goat sale assessments, brand inspections, counties, and grazing associations. **Ms. Royer** advised the Board planned to review and modernize its administrative rules over the next 12 to 24 months.

DISCUSSION: **Senator Den Hartog** asked for additional information on APHIS and its funding sources. She further inquired about its obligation to conduct inspections. **Ms. Royer** explained that APHIS was a federal agency in control of animal disease issues. She observed that APHIS was required by federal law to conduct scrapie testing. **Ms. Royer** said the agency was unhelpful in identifying other testing resources when the MSR plant closed. She reported that APHIS required a large number of samples from many small flocks, while most of Idaho's sheep production came from a few large flocks. **Ms. Royer** added that the Board has contacted Idaho's Congressional delegation for assistance. She observed that loss of Idaho's scrapie-free status would be devastating to the sheep industry because it would prohibit out-of-state lamb shipments.

Chairman Burtenshaw inquired about the sheep industry response to loss of sheep due to predation. **Ms. Royer** answered that the ADC oversaw situations involving every predator except wolves. She reported that coyotes were the number one predator on the sheep industry.

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