

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, February 02, 2023

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Hartgen, Vice Chairman Nichols, Senators Foreman, Hart, Schroeder, Carlson, Zuiderveld, Semmelroth, and Taylor

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 Hartgen** called the meeting of the Senate Agricultural Affairs Committee (Committee) to order at 8:00 a.m.

DOCKET NO. 24-3801-2200F **Idaho Board of Veterinary Medicine, Omnibus Pending Fee Rule**, p. 57. **Tim Frost**, Division Deputy Administrator, Division of Occupational and Professional Licenses (DOPL), presented **Docket No. 24-3801-2200F**, he stated the Idaho Board of Veterinary Medicine (BOVM) did not make any rule changes the past year. The review process in 2019 reduced the chapter by 30 percent and again in 2021 with a reduction of 30 percent. **Mr. Frost** mentioned by 2024 they would present a Red-Line Chapter. He then asked the Committee for approval of **Docket No. 24-3801-2200F**. (Attachment 1)

MOTION: **Senator Schroeder** moved to approve **Docket No. 24-3801-2200F**. **Senator Hart** stated due to new Senators in the Committee, he made an amended motion to hold for one week, and vote a week from February 2, 2023. **Senator Foreman** seconded the motion, the motion passed with a **voice vote**.

PRESENTATION: **Idaho Potato Commission, Jamey Higham**, President and CEO, Idaho Potato Commission (IPC) reported the IPC was established by the Legislature in 1937. It was responsible for the promotion and protection of the famous "Grown in Idaho®" seal, a federally registered trademark. **Mr. Higham** updated the Committee on the potato crop of 2022. He indicated it was smaller due to eight percent less acres planted and, weather at night had been hotter than in previous years, potatoes bulk up in cooler nights. Strong market prices were keeping grower margins strong, but increased supply and competition in future years was a concern.

Mr. Higham presented the Annual Report, he recapped the decrease in potato yields and, the lower revenue. He stated the IPC adjusted spending with the revenues due to the current circumstances. He pointed out funding research was critical to develop new varieties of potatoes, which were more heat tolerant and, used less water. He felt overregulation with the Waters of the United States (WOTUS), Securities and Exchange Commission (SEC) climate rule proposed, Endangered Species Act (ESA), Environmental Protection Agency (EPA), and the labor shortage foreign-based and in Idaho had made it difficult for growers. (Attachments 2 and 3)

DISCUSSION: **Senator Foreman and Vice Chair Nichols** questioned the federal overreach, SEC, water issues and, chemicals used.

Mr. Higham responded methods used were being restricted for growers from those who did not know the process of growing potatoes. The main issue with Idaho potato growers was restriction of water, they could not rely on mother nature for water needed. Growers were concerned the chemicals used to control pests were not being labeled safe for consumers, this was a main overreach issue.

PRESENTATION: **Idaho Wine Commission, Roger Batt**, Idaho Grape Growers and Wine Producers Commission (IGGWPC) Legislative Educator, introduced presenters, Moya Brennan, Earl Sullivan and Mark Pasculli. He gave a brief history of the Idaho wine industry. The first grapes planted in Idaho were in the Lewiston, Idaho area. Since prohibition, grape production stopped in Idaho. The wine industry began again in the 1970's. In 1971 Idaho Legislature passed the Ideal Wine Act and, in 1984 the Wine Commission was formed. Three American Viticultural Areas across Idaho were established, Snake River Valley, Lewis-Clark Valley and the Eagle Foothills for producers to label and market their wines.

Moya Dolsby, Executive Director, Idaho Grape Growers and Wine Producers Commission commenced her presentation by introducing IGGWPC staff, mission and brief history of wine in Idaho. She gave an in-depth overview of the annual report and budget of the IGGWPC. She stated the Idaho wine industry had grown despite the rising cost of land. The success of the industry reflectively supported Idaho's agriculture and, business community. She affirmed Idaho had over 70 wineries located across the state and stated it was vital to promote Idaho's wineries. She used social media, the Department of Tourism and, the Boise Visitors Convention Bureau to advance awareness of Idaho's growing wine industry.

Ms. Dolsby cited Idaho did not have a Viticulture Technology Program. She emphasized travelling to major wine markets, this had brought in professors and consultants who educated grape growers. Journalists with Food and Wine Magazine and, Forbes Business Review highlighted Idaho, aiding the perception of Idaho as a producer of superb grapes and award-winning wines. (Attachments 4 & 5)

Senator Foreman questioned why a constituent had to go through a wine distributor instead of a retailer to purchase wine from another state. **Ms. Dolsby** replied it was a law in Idaho and was due to interstate commerce. Washington had since changed the law, and other states were following, it made it no longer necessary to purchase wine strictly through a distributor. **Senator Foreman** inquired if the wine industry was interested in drafting Legislation. **Ms. Dolsby** stated there was interest.

Mark Passculli, IGGWPC Commissioner, Owner Rolling Hills Vineyard presented costs associated with vineyard management. He mentioned a majority of Idaho vineyards were small and it was imperative to convert wine grapes into wine for it to be profitable. Wineries needed tasting rooms on site to monetize the farm to table experience. He emphasized the depletion of agricultural land and the water issue. He commented that grapes were among the top fruits that consumed the least amount of water and could eventually be dry farmed as they were in other parts of the U.S. and world. (Attachment 6)

Senator Hart, questioned if the wine industry had set up land trusts. **Mr. Passculli** answered it was important to preserve agricultural land and, it was something Idaho needed to address, not just for wineries but for Idaho's agricultural industry.

Earl Sullivan, Former IGGWPC Commissioner, Owner Telaya Wine Company gave a brief summary of the cost of wine production. The season is short and capital intensive, with costs of equipment, wine barrels and, wine production. Grape growers and wine producers worked together to bring tourism into Idaho, together the economic impact created was \$200 million dollars.

Mr. Sullivan reaffirmed farmland preservation and, the ability for wine to be shipped across state lines were issues needed to be brought up at the next Legislative Session.

PRESENTATION: Idaho Wool Growers Association, Liz Wilder, Executive Director, Idaho Wool Growers Association (IWGA) introduced the board of directors. She spoke of the mission to foster, promote, protect and encourage the business of developing, raising, and marketing sheep in the state of Idaho. With 230,000 sheep and 1,447 shepherds calling Idaho home, the Inventory value was \$120 million with the wool base at \$2.6 million. It made Idaho a high quality market for lambs and wool. **Ms. Wilder** pointed out the IWGA was founded in 1893, it was one of oldest agricultural organizations in the state. She indicated Idaho had a flourishing sheep industry, it ranked fourth for total market of lambs, seventh for sheep inventory and, eighth for wool production.

The 2022 Range Tour was back after COVID, it brought together sheep producers, agency representatives from the Bureau of Land Management (BLM), Idaho Department of Lands (IDL), Idaho Fish and Game (IDFG), researchers and Legislative Representatives. The tour high-lighted the value and importance of collaborating with agencies at the local level.

Ms. Wilder concluded the presentation with a full detailed calendar for the 2023 year, a Sheep and Goat Youth Field Day, Sip and Shear, Lamb Cutting Demonstration, 102nd Idaho State Ram Sale, Trailing of the Sheep and, West Central States Wool Growers Convention. (Attachments 7 and 8)

Senator Hart inquired if wolves had been a challenge for members.

Ms. Wilder responded that wolves were a challenge for range operators. Sheep herders stay with the bands at all times and were equipped with deterrent tools and guardian dogs.

PRESENTATION: Idaho Sheep and Goat Health Board, Emily Merrigan, Executive Secretary, Idaho Sheep and Goat Health Board (ISGHB) and Animal Damage Control (ADC), reported Idaho Code § 25-127, Title 25, Chapter 1, Control of Sheep Diseases outlined the qualifications of board members. Five members, consisted of experienced wool growers or goat raisers, or a combination of experienced wool growers and goat raisers, and no two shall be from the same county; shall be appointed by and serve at the pleasure of the governor. She introduced the board members and explained those members had the authority to prevent, control and eradicate disease in both sheep and goats. They were empowered to make rules and had exclusive control of the matters pertaining to the sheep industry. She explained that there were four members, and was waiting for approval from Governor Little for the fifth member.

Ms. Merrigan reviewed **Docket No. 02-0801-2201, Fee Rule**. The rule designated \$0.08 per pound of wool be assessed per head at time of sale and asked the committee for approval.

Ms. Merrigan gave a in-depth overview of the sheep and goat industry and animal damage control. She reported Idaho inventory at 222,000 head, down

four percent from 2021. The Idaho inventory of Milk Goats at 6,400 head up from 2021. She highlighted accomplishments, the National Scrapie Eradication Program and, Campylobacter Vaccine. Future plans included a Rule Revision for 2024, continuing education opportunities in small ruminants for veterinarians and, educational materials on sheep and goat health topics.

Ms. Merrigan cited Idaho code § 25-2608 Title 25, Chapter 26, Extermination of Wild Animals and Pests in Counties. It shall be the duty of every landowner in an agricultural pest control district, including federal, state, county, municipal government, or their agent, county highway district, public or private irrigation district or system, drainage district and railroad, on land owned or controlled by them, to control those agricultural pests declared as such by the board of county commissioners as provided in § 25-2601. She stated the number one predator for sheep and lamb loses was the coyote. In 2022 the USDA Wildlife Services took nearly 2500 coyotes on the behalf of producers that called. (Attachment 9)

Senator Carlson asked why the Animal Control Board does not control wolves. **Ms. Merrigan** specified the Wolf Depredation Control Board (WDCB) had agreements and contracts to take care of wolf damage. **Vice Chair Nichols** inquired why it was important to have livestock producers on the Board. **Ms. Merrigan** replied it was vital to have experienced producers sit on the board. They had specific knowledge and requirements for the USDA Wildlife Services in terms of contract work for ranchers and farmers.

PRESENTATION: **Performance Measrues, Chanel Tewalt** Director, Idaho State Department of Agriculture (ISDA) stated her presentation focused on providing information about Performance Measures. **Ms. Tewalt** mentioned the new diagnostic laboratory at the Boise Campus included the animal health lab, plant diagnostics lab and dairy lab. The labs had experienced growth driven by the industry. One of the oldest functions of the ISDA was the Weights and Measures program, it ensured accurate scales and weights across Idaho.

Ms. Tewalt cited that pesticide registrations were down due to consolidation in the industry and, phytosanitary certification met requirements in foreign countries for exporting overseas. She addressed the labor issue at the ISDA and being able to respond to producers within 24 hours. The ISDA had exceeded goals in certain areas even though they had only 50 percent of the administrative support staff needed.

Senator Semmelroth asked questions relating to the unfilled vacancies at the ISDA. Was it possible to perform inspections with these openings.

Ms. Tewalt informed the Committee that inspectors worked seven days a week, 12 hours a day for six weeks straight, to ensure processing plants could move product to market and plants were not shut down. She expressed the tremendous responsibility the inspectors felt to make sure inspections were completed. (Attachments 10 and 11)

ADJOURNED: There being no further business at this time, **Chariman Hartgen** adjourned the meeting at 9:55 a.m.

Senator Hartgen
Chair

Melissa Price
Secretary