



# CAPITOL REVIEW

## A WEEKLY LEGISLATIVE REPORT

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### A Weekly Legislative Report

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#### SPECIAL DAY FOR PAST GOVERNOR

**March 4**, marked the **93<sup>rd</sup> Birthday for former Governor Phil Batt**. Food Producers of Idaho were holding a noon luncheon with Legislators at Yen Ching in Boise when a large group formed in the restaurant of over 25 former staff members who had worked with the Governor. Prior to becoming involved in politics, Wilder Farmer, Phil Batt, was very instrumental in the forming of Food Producers of Idaho.

#### MOVEMENT OF AG COMMODITIES

Senate Concurrent Resolution 136, which is being sponsored by Senator Brackett and Senator Lee, **provides legislative support for the Idaho State Department of Agriculture to utilize the Rural Economic and Integrated Freight Transportation (REDIFIT) program**. The funding is for the purpose of creating specific and cost-effective recommendations that address current challenges in the efficient movement of agricultural commodities and other manufactured products to market. We learned that the fund has a sizable balance that can be utilized to address some of the transportation challenges faced by Idaho agriculture producers and processors in getting their commodities and products to consumers. SCR 136 asks the Idaho State Department of Agriculture to consider freight opportunities with an emphasis on economic development for Idaho's existing industries as well as specific challenges in the shipping of perishable commodities.

#### PESTICIDE REGULATIONS

A great deal of discussion has surfaced related to the **Idaho State Department of Agriculture (ISDA) Pesticide Program**. H487 passed the House on February 28 by a vote of 52-12-6 and **is now scheduled for a hearing in the Senate Agricultural Affairs Committee**. The original hearing in the House Agricultural Affairs was filled with testimony from Aerial Applicators in Idaho. This week, Food Producers of Idaho asked ISDA to come and provide some basic background on the issue. We thought you might find the information enlightening. The general definition of

pesticide is that it **is any substance intended to control or destroy any insect, rodent, nematode, fungus, or plant**. Idaho has 12,000 registered pesticides for use in the state, including products intended for use in residential, commercial, agricultural, turf or urban settings. There are approximately 10,000 pesticide licenses in Idaho and about 90 of those licenses are held by aerial pesticide applicators.

#### **Idaho Pesticide Law**

- There are 22 prohibited acts in the Pesticide and Chemigation law.
- HB 487 strikes one prohibited act in Idaho Code § 22-3420(6) and most of Idaho Code § 22-3420(8).

#### **ISDA pesticide-related investigations and inspections**

- 5,332 – Total investigations and inspections in the last 5 years
- 4,916 – ISDA took no enforcement action
  - A no-enforcement action does not mean that no violations were found. ISDA puts a heavy emphasis on education and compliance assistance. If minor violations are noted during inspection, ISDA will work with the regulated community through education and/or compliance assistance.
- 132 – ISDA issued a warning letter (no penalties, stays in file for 3 years)
- 242 – Issued regulatory letters (no penalties, stays in file for 3 years, request response)
- 42 – Issued Notice of Violation (NOV) which includes penalties
  - 0.8% of all investigations result in fines or license suspension

#### **EASTERN IDAHO AG HALL OF FAME**

In mid-March the following leaders in agriculture will be inducted into the Eastern Idaho Agriculture Hall of Fame: **Clen and Emma Atchley**, potato seed producers; **James Summers**, agricultural educator;

**Sylvan Seely**, irrigation industry leader; **Carl Ellsworth**, rancher; and **Kent Taylor**, potato grower/shipper. In addition to the regional inductees, **Idaho Governor Brad Little** and **Idaho State Department of Agriculture Director Celia Gould** will be honored as members of the Hall of Fame class of 2020.

### **BEER AND WINE EXCISE TAX IN IDAHO**

Over 40 years ago, **Idaho Code set into motion the collection of an excise tax on the sale of wine and “high alcohol content beer”**. These funds through the years have been placed in the Idaho Grape Growers and Wine Commission account to be used for the purpose of promoting wine in Idaho. S1365 would remove the funds derived from the high alcohol content beer tax out of the commission’s budget and send it to the General Fund to be used for education. The total amount of revenue annually is a little less than \$150,000. S1365 failed on the Senate Floor by a vote of 15-19-1. At this time the beer excise tax will remain with the wine folks however we hear rumors of another proposal being considered to address this issue.

### **HEMP UPDATE**

We have received confirmation that there will be a hearing on **S1345** that deals with the **legalization of industrial hemp in Idaho**. The hearing will be held next Tuesday, March 10, in the House State Affairs Committee. As a reminder S1345 will add a new section to Idaho Code that would provide for the transportation of industrial hemp. Additionally, S1345 provides legislative intent, defines hemp, and permits **any persons or institutions of higher education** in Idaho to grow, cultivate, harvest, sample, test, research, process, transport, transfer, take possession of, sell, import and export hemp or hemp products containing .3% or less of tetrahydrocannabinols (THC) in the state to the greatest extent allowed under federal law as outlined in the Federal Farm Bill of 2018.

### **REFERENDUM LEGISLATION**

H591 would create a refund provision in Idaho Code of up to 50% of the assessment levied and paid to the Idaho Potato Commission on a quarterly basis. In order to receive the refund, the person or entity must request the refund in writing from the Idaho Potato Commission within 90 days after the payment was made. Food Producers voted to oppose this bill because it has the ability to significantly devalue commissions. This would likely hinder a commission’s ability to research, educate and promote products from within its industry. Commissions assist industries in growing demand for their products, which in turn provides more options for producers.

### **AGRICULTURAL LAND VALUES**

H560 would establish a commonly used method for the calculation of agricultural land assessed values. It also places a strong emphasis on using local available data when available, rather than relying on generalized aggregated data. H560 is sponsored by Rep. Megan Blanksma and passed through the House of Representatives on March 2 with a vote of 67-1-2. **The main thrust of H560 is friendly to agriculture. However, there is a portion of H560 that deals with rulemaking that could potentially change how rules are approved during the legislative process.** Currently, only one body needs to approve a rule for it to go into effect. If there is a requirement that both bodies need to approve a rule before it goes into effect, that provides more leeway for rules to be terminated and then the necessity of more negotiated rulemaking. Many producers, associations and industry representatives already participate in a large amount of rulemaking. By making rule hearings even more frequent, those rules that have been common place, may see wild shifts that could be detrimental to agriculture. Due to this rulemaking provision in H560, Food Producers voted to oppose the legislation on the rules provision.

### **INCARCERATED LABOR**

There can be weeks that the win column does not look as bright as you hope, but the passage of H373 sure helped brighten things up for the agriculture industry. H373, which was sponsored by Rep. Doug Ricks, has passed both the House of Representatives and the Senate and has been sent to the Governor for a signature. More significantly, the measure did not receive one vote against it through the whole process. **H373 will update language in Idaho Code clarifying Idaho Correctional Industries as a training program for incarcerated individuals in Idaho.** This legislation amends Idaho Code to allow Idaho Correctional Industries to create and maintain training programs with all agricultural products as currently defined in Idaho Code. H373 opens opportunities for inmate participation through multiple industries but also adds a significant focus to the goal of reducing recidivism through job training. With the current high recidivism rates in Idaho, **the argument is that giving inmates an opportunity to get back into a work environment will give them skills they will need to succeed as law-abiding citizens** and allow them to earn some money toward restitution, court costs and re-entry into society.

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