

Idaho State Department of Agriculture

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BRAD LITTLE, GOVERNOR CELIA GOULD, DIRECTOR

Organic Food Products Negotiated Rulemaking

April 21, 2021

ISDA, Virtual Meeting/Conference Call

Organic Food Products Negotiated Rulemaking session was called to order at 1:34 p.m. by Lloyd Knight

Stakeholders on Phone:Katie DeVriesLoren GreenDallas BurkhalterYoung BennettLloyd KnightCarli TaylorCindy StarkISDA Staff on Phone:Kyle WilmotChanel TewaltGwen Ayres

Pamm Juker Jennifer Crumrine

Lloyd Knight welcomed everyone to the Organic Food Products Negotiated Rulemaking session.

Kyle Wilmot provided a brief program outline and reiterated that the ISDA Organic Program is strictly voluntary.

02.06.33 - ORGANIC FOOD PRODUCTS RULES PUROSED UPDATES.

- 004. Incorporation by Reference
 - o Update date from July 7, 2010 to April 2, 2021
- 010. DEFINITIONS
 - o 02 Certification. Remove part of definition related to \$5,000 for clarity
 - o 05 Gross Organic Sale. The grand total of all organic revenue and/or sales transactions that occurred within a calendar year.
 - This addition is to define Gross Organic Sale.
 - o Update 05. Materials to 06. Materials
- 200. IDAHO ORGANIC CERTIFICATION SEAL.
 - o 01 Description of Seal. Add Figure 3, a black and white Certified Organic logo.
 - 02 Utilization of Seal. Add a reference to Figure 3
- 201. REGISTRATION OF APPROVED MATERIALS.
 - Request to remove section.
- 300. CERTIFICATION REQUIREMENTS AND FEES.
 - o 02. Certification Fees.
 - 02a. and 02b. add the terms 'Certification Application Fee of' and 'that is non-refundable.'
- 301. GRADUATED GROSS SALES FEE SCHEDULE.
 - 01. Add term 'organic sale'
 - o 02. Non-Refundable:
 - Request to remove section. Since it would be referenced in 300.02.a and 300.02.b.

Opened to the floor to Stakeholders to address any questions and thoughts. None were presented.

Organic Program Trends

Mr. Wilmot presented the Organic Program Trends Report. He provided a brief financial history of the Organic Program. The program is funded by dedicated funds and has increased to a staff of seven and a half full-time employees from the original one full-time employee.



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Since the inception of the Organic Program in 2002, the ISDA has not increased the Gross Organic fee Schedule. Since 2007, ISDA has not raised the hourly rate billed related to inspections.

In 2019 program brought a total dedicated revue of \$507,802.00, expenditures totaled \$636,553.28 leaving a deficit of \$128,751.28, in turn reducing the Dedicated Fund Cash Balance to \$620,890.05.

The Organics Program is forecasted to maintain running at a deficit through 2026, eventually depleting the Dedicated Fund Cash Balance.

Capital Expenditures are expected for the flowing

- FY 21-22 Database programmer, at an unknown cost.
- FY23-FY26. Capital includes two new computers with hardware and software and new vehicles to replace the aging fleet.

Mr. Wilmot and Chanel Tewalt discussed how the program fees compare in relation to other certifiers in the State. Mr. Wilmot provided examples of different scenarios for the types of entities that program certifies and what they were invoiced in comparison to what they cost the program to inspect.

Mr. Wilmot stated that the Organic Advisory Council (OAC) has been presented with the financial information. OAC's recommendation was to seek a way to increase program fees to maintain the current level of services offered by the ISDA Organic Program.

Opened to the floor to Stakeholders to address any questions and thoughts related to the budget forecast and direction of the programs funding. None were presented.

Mr. Knight stated that the ISDA will email the information to Stakeholders, providing the opportunity to submit their thoughts and/or ideas.

Adjourn:

Mr. Knight Adjourned the session at 2:13 p.m.