MINUTES

Negotiated Rulemaking – IDAPA 02.06.01 – Rules Governing the Production and Distribution of Seed Tuesday, August 1, 2023 Held via Teams

ISDA Attendees

- Lloyd Knight
- Stevie Harris
- Dan Salmi
- Stacy LaMastra
- Caroline Melle

Stakeholder Attendees

- Rodger Batt
- Cassidey Plum
- Braden Jensen
- Darren Krzesnik
- Dohse Lanny
- Elizabeth Criner
- Josh Scholer
- Phil
- Rick Winn

Lloyd Knight called the meeting to order at 9:06am.

Dan shared the Seed Lab fee schedule showing what a 51% increase in testing fees would be. This 51% increase was proposed at the 1st rulemaking meeting as it is representative changes in the purchasing power of the US dollar due to inflation since the last time lab fees were updated in 2006.

Roger shared that he had received feedback about rounding the fees to whole dollars after the 51% increase is applied. Lloyd agreed we can round up to the next whole dollar.

Roger inquired about how the increased fees would change the lab funding amounts of general versus dedicated funds. Lloyd stated that regardless of changes to the dedicated funds, the amount of general funds provided to the lab would remain the same. If there were no changes to the lab business, the testing fee increases would equate to approximately \$110,000 more in revenue (dedicated funds) to the lab based on last year's numbers. However, there is no way to know if increased fees would translate into a change in business and sample numbers.

Dan asked to clarify that rounding of the proposed increased fees would round up or down to the nearest whole dollar following regular rounding rules and it was agreed that this would be how the proposed fee schedule would be rounded.

Elizabeth inquired if it is known how many Idaho seed samples are sent to the Montana or Wyoming seed labs currently. There is no way for ISDA to know this, but per Stacy these are smaller labs and would not have the capacity to take on as large of sample volumes as the Idaho lab.

Elizabeth also inquired if there was a competitive lab in Utah. Stacy said there is a Utah lab, but they are also smaller and would not be a realistic competitor for bean business. Stacy believes they perform more testing on native samples.

Lloyd and Dan also indicated that the Montana and Wyoming labs have different funding mixes and have different financials being associated with universities. This can allow them to keep fees low. Also, Montana has indicated that they are updating fees this year, but they are not posted yet. Dan suspects that these labs may be increasing fees to be more in line with the other labs in the future.

The Idaho seed lab examined what the fee schedule would look like incorporating the 51% fee increase and identified a few items that would support a different adjustment. ISSL suggests increasing bean fees for purity and germination by 75% to cover the higher actual costs of testing these types of samples. Also, increasing the "rush" fee to \$75 and adding a \$150 "super rush" fee would put ISSL more in line with other labs. Currently the lab's rush fee is so low, many samples come in as rush samples and there is not currently a separate super rush fee in the schedule.

Rick asked that the rush and super rush services would be defined for customers.

Dan and Stacy agreed that it would need to be defined what these services were for customers. Stacy stated that some labs state a super rush sample would have 24-hour turnaround times, but that ISSL would not guarantee that. A super rush would move the sample to the front of the rush queue.

Lloyd stated that currently with so many rush samples coming into ISSL, having a rush sample does not translate into getting results all that much faster. Sample loads can only be tested at a certain speed. If rush fees are increased, only truly needed rush samples will be designated rush.

With no other questions or comments, Lloyd asked everyone in attendance if there was a consensus that the proposed 51% fee increase, with the 75% bean increase and higher rush and super rush fees, should move forward. There was consensus that this is the fee schedule that should be proposed.

Dan asked if there would be a further action needed. Lloyd stated that ISDA will finalize the proposed updates to the fee schedule and draft the new rule language. This will be posted for any further public comment before proceeding to legislature for approval.

Final proposed fee schedule attached.

Idaho State Seed Lab Proposed Fees - Following Negotiated Rulemaking

| Seed Kinds | Purity | Germination | Tetrazolium |
|---|-------------|-------------|-------------|
| AGRICULTURAL GRASS SEED | | | |
| Bluegrasses | \$68 | \$38 | \$60 |
| Bromegrasses | \$57 | \$36 | \$60 |
| Fescues | \$53 | \$33 | \$60 |
| Orchard grasses | \$57 | \$38 | \$60 |
| Ryegrasses | \$57 | \$35 | \$60 |
| Timothy | \$42 | \$35 | \$60 |
| FIELD SEED | | | |
| Alfalfa, clovers and trefoils | \$30 | \$26 | \$60 |
| Cereals (Barley, Oats, Wheat, etc.) | \$38 | \$26 | \$60 |
| Beans | \$32 | \$28 | \$60 |
| Corn (all types) | \$30 | \$26 | \$60 |
| Peas and lentils | \$27 | \$26 | \$60 |
| VEGETABLES, FLOWERS, & HERB SEED | | | |
| Brassica (canola, radish, broccoli, etc.) | \$60 | \$26 | \$76 |
| Beets and Swiss chard | \$44 | \$48 | \$60 |
| Carrots, celery, dill, and parsley | \$41 | \$30 | \$60 |
| Cucurbits (squash, melons, etc.) | \$38 | \$30 | \$60 |
| Flowers (bachelor button, poppy, etc.) | \$60 | \$38 | \$76 |
| Lettuce, tomato, and pepper | \$38 | \$30 | \$60 |
| Onion and chives | \$38 | \$30 | \$60 |
| TREE & SHRUB SEED | | | |
| Bitterbrush | \$60 | \$45 | \$76 |
| Saltbush | \$91 | \$45 | \$76 |
| Chokecherry and woods' rose | \$38 | \$91 | \$91 |
| Serviceberry, cliff-rose, and mahogany | \$45 | \$45 | \$60 |
| Trees (firs, pines, spruces, etc.) | \$38 | \$45 | \$60 |
| RANGE & NATIVE SEED | | | |
| Bluestems and grammas | Hourly Rate | \$45 | \$76 |
| Globemallow and penstemons | \$60 | \$45 | \$76 |
| Kochia and forage Kochia | \$45 | \$45 | \$60 |
| Rushes and sedges | Hourly Rate | \$45 | \$76 |
| Sagebrush and rabbitbrush | Hourly Rate | \$45 | \$60 |
| Wheatgrasses, wildryes, and squirreltail | \$60 | \$38 | \$60 |
| winterfat | Hourly Rate | \$45 | Hourly Rate |

SPECIAL TESTING FEES

Test Procedure

All States Noxious \$38 Ammonia Test \$50

Canada-Purity \$20 added to purity fee
Canada-Germination \$4 added to germination fee

Cold Test \$35 Crop & Weed Check \$37 Cut Test \$33

Dormancy Percentage \$11 minimum or %Dormant x germination fee

E.C. Norms \$30
Foreign Material \$18
Grading (beans) \$27
Hay Pellet Germination \$27
Hourly Rate \$60

Identification \$8 minimum or hourly if necessary

Inventory Germinations 20% discount of listed fee, March through July

(for carryover seed only, when requested) only

ISTA-Purity \$20 added to standard purity fee
ISTA-germination \$4 added to germination fee
Mixtures-Purity \$19 added per kind exceeding 5%
Mixtures-germination \$19 added per kind exceeding 5%
Mixtures-tetrazolium \$27 added per kind exceeding 5%

Moisture Test \$21 Seed Count \$20 Pest, Disease, Soil & Ergot Check \$20 Sod quality-Bentgrass \$100 \$97 Sod quality-Bermudagrass Sod quality-Bluegrass \$97 Soil Germination \$35 Species Exam \$37 Undesirable Grass Species \$39

Rush Service \$75 Super Rush Service \$150