IDAPA 02 – DEPARTMENT OF AGRICULTURE

02.04.05 - RULES GOVERNING GRADE A MILK AND MANUFACTURE GRADE MILK 02.04.13 - RULES GOVERNING RAW MILK 02.04.19 - RULES GOVERNING DOMESTIC CERVIDAE 02.06.33 – ORGANIC FOOD PRODUCTS RULES 02.04.21 - RULES GOVERNING IMPORTATION OF ANIMALS 02.04.27 - RULES GOVERNING DELETERIOUS EXOTIC ANIMALS 02.06.06- RULES GOVERNING THE PLANTING OF BEANS 02.06.09- RULES GOVERNING INVASIVE SPECIES AND NOXIOUS WEEDS

DOCKET NO. 02-XXXX-XXXX (OARC will assign)

NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

AUTHORITY: In compliance with Sections 67-5220(1) and 67-5220(2), Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Sections 22-1103, 22-1907, 22-2004, 22-2006, 25-203, 25-303, 25-305, 25-401, 25-601, 25-3704, 25-3903, 37-303, 37-402, 37-405, 37-516, 37-1101(5), Idaho Code.

MEETING SCHEDULE: Public meetings on the negotiated rulemaking meetings will be held as follows. Additional meetings may be scheduled and will be posted on the ISDA website.

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	IDAPA 02.04.13 Rules Governing Raw Milk
	Tuesday, April 20, May 18, and June 15 from 1:30 to 5:00 pm
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	IDAPA 02.06.33 Organic Food Products Rules
Wednes	day, April 21, Monday, May 17, and Wednesday, June 16 from 1:30 to 5:00 pm
	IDAPA 02.04.21 Rules Governing Importation of Animals
	Thursday, April 22, May 20, June 17 from 8:30 am to noon
	IDAPA 02.04.27 Rules Governing Deleterious Exotic Animals
	Thursday, April 22, May 20, June 17 from 1:30 to 5:00 pm
	IDAPA 02.06.06 Rules Governing the Planting of Beans
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MEETINGS SET FOR PUBLIC PARTICIPATION VIA TELEPHONE AND WEB CONFERENCING

Contact rulesinfo@isda.idaho.gov to make arrangements for participation by telephone and web conferencing.

On March 25, 2020, Governor Little issued a Proclamation declaring an emergency and taking steps to reduce and slow the coronavirus spread. In compliance with the Proclamation and Stages of Reopening, ISDA will hold this meeting via telephone and web conferencing.

METHOD OF PARTICIPATION: Those interested in participating in the negotiated rulemaking process are encouraged to attend the scheduled meeting via telephone and web conferencing. Individuals interested in participating by telephone and web conferencing should contact <u>rulesinfo@isda.idaho.gov</u>. For those who cannot participate by attending the meeting, information for submitting written comments is provided below.

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DESCRIPTIVE SUMMARY AND STATEMENT OF PURPOSE: The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principal issues involved:

These rules are being presented for authorization as part of the ISDA's plan to review each rule every 5 years. There are no specific rulemaking changes planned by the ISDA at this time except for evaluation and amendment consistent with the Governor's Zero-Based Regulation Executive Order. It is anticipated that rulemaking stakeholders will propose and advocate for rulemaking changes as part of the negotiated rulemaking process. The ISDA intends to carefully consider all changes presented by the public and may propose certain changes so long as they are consistent with the rules' statutory authority and the Governor's Executive Order. The ISDA will review the documents that are currently incorporated by reference in this rule and update that list as applicable.

Incorporated by reference documents presented for review will be part of informal negotiated rulemaking and stakeholders will provide input on that process.

ASSISTANCE ON TECHNICAL QUESTIONS, OBTAINING DRAFT COPIES: For assistance on technical questions concerning this negotiated rulemaking, contact Lloyd Knight, Rules Review Officer at (208) 332-8664. Materials pertaining to the negotiated rulemaking, including any available preliminary rule drafts, can be found on the ISDA web site at the following web address: (www.agri.idaho.gov/rulemaking.)

SUBMISSION OF WRITTEN COMMENTS: Anyone may submit written comments regarding this negotiated rulemaking. All written comments must be directed to the undersigned and must be delivered on or before June 20, 2021.

DATED this 3rd day of March, 2021.

Llovd B. Knight

Rules Review Officer Idaho Department of Agriculture 2270 Old Penitentiary Road P.O. Box 7249 Boise, Idaho 83707 Phone: (208) 332-8664 Fax: (208) 334-2170



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BRAD LITTLE, GOVERNOR

CELIA GOULD, DIRECTOR

ISDA 2021 Negotiated Rulemaking

April 2021 Update

Dear Stakeholders,

As the rulemaking season approaches, we wanted to provide a roadmap as to what rulemaking will look like this year. We will have some new processes and rulemakings as a result of executive orders or legislative changes. The one constant is the importance of having your participation and involvement. We know our agency benefits from a close relationship with our programs and the needs or expectations of stakeholders.

ISDA's 2021 negotiated rulemaking will fall into two categories:

- Rules reviewed as part of the Governor's Zero-Based Regulation Executive Order, and/or
- Rules reviewed as a result of new legislation.

All notices for these negotiated rulemakings will publish in the Administrative Bulletin on April 2, 2021. The Administrative Bulletin can be found at <u>https://adminrules.idaho.gov/bulletin/</u>.

Zero-Based Rulemaking

Governor Little's Executive Order No. 2020-01 – Zero Based Regulation – directs agencies to facilitate an ongoing review process for existing rules, requiring agencies to put each rule on a five-year review schedule. This process aims to reduce the overall regulatory burden, or remain neutral, as compared to the original rule. Attached you will find the entire five-year review schedule for the agency. Specifically, for 2021, the following rules are scheduled for Zero Based Rulemaking. Notices will be published in the April Administrative Bulletin and meeting dates also are listed below. We strongly encourage all interested stakeholders to participate in these rulemaking meetings.

IDAPA	Name	Meeting Dates
IDAPA 02.04.05	Rules Governing Grade A Milk and Manufacture	Tuesday, April 20,
	Grade Milk	May 18, and
		June 15 all from 8:30 a.m. to noon
IDAPA 02.04.13	Rules Governing Raw Milk	Tuesday, April 20,
		May 18, and
		June 15 all from 1:30 to 5 p.m.
IDAPA 02.04.19	Rules Governing Domestic Cervidae	Wednesday, April 21,
	*needs to be updated per legislative action, will	May 19, and
	include ZBR*	June 16 all from 8:30 a.m. to noon
IDAPA 02.06.33	Organic Food Products Rules	Wednesday, April 21,
		Monday, May 17, and
		Wednesday, June 16 all from 1:30 to
		5 p.m.
IDAPA 02.04.21	Rules Governing Importation of Animals	Thursday, April 22,
		May 20,
		June 17 from 8:30 a.m. to noon
IDAPA 02.04.27	Rules Governing Deleterious Exotic Animals	Thursday, April 22,

		May 20,
		June 17 from 1:30 to 5 p.m.
IDAPA 02.06.06	Rules Governing the Planting of Beans	Friday, April 23,
		May 21,
		June 18 from 8:30 a.m. to noon
IDAPA 02.06.09	Rules Governing Invasive Species and Noxious	Friday, April 23,
	Weeds	May 21,
		June 18 from 1:30 to 5 p.m.
IDAPA 02.04.14	Rules Governing Dairy Byproduct	Monday, April 19,
	*needs to be updated per legislative action, will	Wednesday, May 19,
	include ZBR*	Monday, June 14 from 1:30 to 5 p.m.

The format of each rulemaking meeting will be similar:

- Facilitated by the Rules Review Coordinator with ISDA staff on hand to answer technical questions and present draft language from previous discussions or as provided by law.
- Initial discussion drafts will be developed by agency staff simply as a starting point for the first meeting and drafts will reference those sections required by statute and those sections that may be out of date with the statute or other incorporated reference documents.
- If stakeholders have proposed changes or drafts they would like to submit for discussion during the meetings, they can email them to <u>rulesinfo@isda.idaho.gov</u> prior to the next meeting so they can be shared on screen.
- Meetings will be held via WebEx.
- As always, all rulemaking information will be posted on the ISDA website under "Laws and Rules." Information for joining all upcoming meetings will be posted on the website.
- Agency staff will compile minutes, presented materials, and stakeholders' recommended draft changes. This information also will be posted to the ISDA website.
- ISDA needs to have proposed rules and other supporting materials submitted to DFM in mid-July to ensure adequate time for review prior to publication in the September Bulletin, the subsequent comment period, and a final rule to be prepared for presentation for review by the 2022 Legislature.

If you have any questions or to RSVP for a meeting, please contact Lloyd Knight, ISDA's Rules Review Coordinator at <u>rulesinfo@isda.idaho.gov</u>.

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DATED this 3rd day of March, 2021.

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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: Loren Green Young Bennett	Katie DeVries Dallas Burkhalter
Carli Taylor	Lloyd Knight Cindy Stark Kyle Wilmot
ISDA Staff on Phone: Chanel Tewalt Pamm Juker	Gwen Ayres 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
 - 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
 - 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.
 - 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.
 - 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'
 - 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.

Organic Program Trends

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Forecasted</u> <u>2021</u>	<u>Forecasted</u> <u>2022</u>	<u>Forecasted</u> <u>2023</u>	<u>Forecasted</u> <u>2024</u>	<u>Forecasted</u> 2025	<u>Forecasted</u> <u>2026</u>
Dedicated Fund Revenue	\$571,330.00	\$507 <i>,</i> 802.00	\$584,520.00	\$555,000.00	\$566,100.00	\$577,422.00	\$580,000.00	\$580,000.00	\$580,000.00
Dedicated Fund									
Expenditures									
Personnel	\$375,171.99	\$496,829.38	\$520,316.77	\$510,000.00	\$520,000.00	\$530,400.00	\$541,008.00	\$551,828.16	\$562,864.72
Operating	\$115,793.95	\$94,356.16	\$89,411.19	\$99,800.00	\$100,798.00	\$101,805.98	\$102,824.04	\$103,852.28	\$104,890.80
Capital	\$2,772.94	\$45,367.74	\$27,032.11	\$6,000.00	\$3,000.00	\$31,900.00	\$31,900.00	\$31,900.00	\$31,900.00
Total	\$493,738.88	\$636,553.28	\$636,760.07	\$615,800.00	\$623,798.00	\$664,105.98	\$675,732.04	\$687,580.44	\$699,655.53
Dedicated Fund									
Deficit/Surplus									
Spending	\$77,591.12	(\$128,751.28)	(\$52,240.07)	(\$60,800.00)	(\$57,698.00)	(\$86,683.98)	(\$95,732.04)	(\$107,580.44)	(\$119,655.53)
Dedicated Fund									
Cash Balance	\$749,641.33	\$620,890.05	\$568,649.98	\$507,849.98	\$450,151.98	\$363,468.00	\$267,735.96	\$160,155.52	\$40,499.99
					*Consider Line also also a				

*Capital includes two new computers with hardware and software and a new vehicles with aged fleet from FY23-26

*FY21-22 Costs will include unknown programmer costs

Organic Rule Fee Information

Organic Program Background

- Participation in ISDA's Organic Program is entirely voluntary.
- Idaho operations are not required to certify with the ISDA Idahoans can seek organic certification from any accredited certifier, including private companies or other state programs.
- ISDA implements an Organic Program pursuant to legislative intent in Chapter 11, Title 22.

Fees

- ISDA has not increased organic graduated gross fees since 2002.
- The ISDA Organic Program is funded entirely with dedicated funds (fees from operations in the program).

Program Status

- When fees were last raised nearly 20 years ago the ISDA Organic Program had one full-time employee.
 - Today, the program has 7.5 FTP.
 - Additional staffing dramatically increases efficiency and timeliness of certification as well as programmatic compliance with National Organic Program regulations.
 - Our staffing levels today are more responsive to the kind of service our customers expect.
- The current fee structure brings in less money than what it costs to run the program.
 - ISDA is utilizing the program's existing cash balance. With current staffing levels and basic vehicle retention, ISDA's Organic Program can expect to run into a deficit near 2026.

Financial Discussion

- ISDA's Organic Advisory Council supports an increase in fees to cover program costs.
- With financial forecasts, ISDA has two options:
 - o Increase user fees, or
 - Decrease service.
- ISDA is presenting financial data during negotiated rulemaking. The agency will ask stakeholders for input about fee levels and structure.

Comparison of fees to actual costs

Example Operation	Fees Paid Under Current Rule	Percentage of Actual ISDA Costs Covered	ISDA Staff Time to Certify (Includes inspection, reports, travel, material review, final review)
Small-scale (Simple) Livestock	\$800	24.16%	33 hrs.
Large-scale (Complex) Livestock	\$5,900	107.74%	70 hrs.
Small-scale (Simple) Crop	\$465	21.51%	9.5 hrs.
Large-scale (Complex) Crop	\$5,725	183.31%	29 hrs.
Small-scale (Simple) Handler	\$308	13.47%	9.5 hrs.
Large-scale (Complex) Handler	\$5,970	46.97%	103 hrs.

How does ISDA compare to other certifiers?

• ISDA charges less than most, if not all, private certifiers.

- Example: A farm with \$10,000 in gross organic sales would be charged \$200 by ISDA but \$425 by Oregon's largest private certifier.
- Example: ISDA's inspection fee is \$35/hour. The Oregon private certifier's inspection rate is \$65/hour.
- ISDA is comparable in cost to other state certifiers, although some state programs are supplemented with general funds, whereas Idaho's program is not.
 - For example, New Mexico's organic program was supplemented with state funding for years. In 2016, state funding was pulled, and the program was expected to run on user fees alone (this is what ISDA's program does).
 - From the Santa Fe New Mexican newspaper: New Mexico Organic-Certification Program at Crossroads

"Private companies also certify and inspect farms seeking organic certification...but producers said they must pay three to four times more for that service...Organic growers like Tom Dixon, who farms the land where he grew up in La Cienega, will have to hire private certifiers and inspectors if the state's organic program fails. 'I've talked to other farmers whose states don't have organic programs like ours,' Dixon said from his Green Tractor Farm. 'It costs them thousands to bring inspectors in from out of state.'"

How did we reach out to stakeholders?

- Began discussions in 2018 with advisory council members.
- Disseminated 2021 rulemaking information in many venues:
 - o Direct email invitation to organic operations,
 - Announcement to Food Producers of Idaho,
 - o Hosted a pre-meeting for agricultural organizations,
 - Posted on Facebook,
 - Posted on the ISDA website,
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02.06.33 - ORGANIC FOOD PRODUCTS RULES

000. LEGAL AUTHORITY.

This chapter is adopted under the legal authority of Section 22-1103, Idaho Code. ()

001. TITLE AND SCOPE.

01. Title. The title of this chapter is IDAPA 02.06.33, "Organic Food Products Rules." ()

02. Scope. These rules govern definitions, requirements for production, handling, and labeling of organic plant and animal products. These rules further govern the general requirements for certification of producers and handlers of plant and animal products, as well as program fee structures.

002. -- 003. (RESERVED)

004. INCORPORATION BY REFERENCE.

The Code of Federal Regulations, Title 7, Part 205, National Organic Program Regulations (July 7, 2010<u>April 2,</u> 2021), except sections 205.620 through 205.622, is incorporated by reference and can be viewed online at http://www.ecfr.gov/cgi-bin/text-

idx?c=ecfr&SID=b885492294d6e01d334ae6076da2c3c2&rgn=div5&view=text&node=7:3.1.1.9.32&idno

=7. Copies of this document may be obtained from the Idaho State Department of Agriculture (ISDA), 2270 Old Penitentiary Road, Boise, Idaho 83712.

005. -- 009. (RESERVED)

010. **DEFINITIONS.**

In addition to the definitions found in Section 22-1102, Idaho Code, the following definitions apply to the interpretation and enforcement of these rules: ()

01. Agent. Any entity accredited by the Secretary of the United States Department of Agriculture as a certifying agent for the purpose of certifying a production or handling operation. ()

02. Certification. A document issued by the Department to a producer/handler who is in compliance with this rule who has more than five thousand dollars (\$5,000) annual gross organic sales.

03. Educational Activity. Seminar, conference, farm tour, class, or research. ()

04. Food Products. Includes all agricultural, horticultural, viticultural and vegetable products of the soil, apiary and apiary products, poultry and poultry products, livestock and livestock products, milk and dairy products and aquaculture products.

05. Gross Organic Sale. The grand total of all organic revenue and/or sales transactions that occurred within a calendar year.

0<u>56</u>. **Materials**. Any substance or mixture of substances that is intended to be used in agricultural production, processing, or handling.

011. -- 199. (RESERVED)

200. IDAHO ORGANIC CERTIFICATION SEAL.

01. Description of Seal. Certified operations that become certified for the first time prior to July 1, 2013

may continue to use the seal depicted in Figure 1. Certified operations that become certified for the first time July 1, 2013 and later may only use the seal in Figure 2 and Figure 3.



()

02. Utilization of Seal. The Idaho organic certification seal as approved by the director and as shown in Figure 1, and Figure 2, and Figure 3, may be imprinted or affixed on labels, packages or products, or used in advertising in any manner and signifies that the standards and rules developed in accordance with the provisions of this rule and all other conditions of the provisions of this chapter have been met. ()

a. Any container manufacturer may apply for authorization to imprint facsimiles of the ISDA organic certification seal on containers of organic products.

b. Authorization granted to imprint facsimile seals is subject to review by the director on an annual basis, or more frequently if necessary.

201. REGISTRATION OF APPROVED MATERIALS.

The director may establish a list of registered branded materials for use in organic production, processing, or handling,

01. Registration. Registration is voluntary.

Section 000

 a.
 All applicants applying for registration of materials must submit the application to the Department

 on forms prescribed by the Department.
 (

b. An applicant for materials registration must demonstrate that the material meets the requirements and standards of the National Organic Program. Specifically, the material may not be a material prohibited for use in the production, processing, or handling of organic products by 7 C.F.R. Section 205.105, and may not be otherwise prohibited for use in organic production, processing, or handling by the National Organic Program.

02. Effect of Registration. The fact that a material is registered is not a guarantee that the registered material will be acceptable for use by certified organic producers, processors, or handlers or other organic certifying agencies other than ISDA.

03. Department Not Liable. The Department is not liable for any losses or damages that occur as a result of any person's use of any registered branded material. The Department is not liable for any losses or damages that result from delays that occur in the registration process due to lack of resources or expertise. ()

 04.
 Registration Fees. The Director may charge the following fees, which are nonrefundable and are not to exceed the stated amounts.

Operations that hold a current approval from a reputable third party accredited material evaluation
program such as the Environmental Protection Agency, an NOP Accredited Certifying Agent, or ISO Guide 65 for
the material(s) which it is seeking to register in Idaho must pay two hundred dollars (\$200) for an initial registration
application fee, and two hundred dollars (\$200) each year thereafter for renewal of the registration.

<mark></mark>	All operations must pay initial and annual inspection fees to keep their product registered.
05	Initial and Annual Inspection Fees

a. The hourly rate for inspections is fifty dollars (\$50), including travel time.

b. Travel time from an inspector's normal duty station to the inspection site and return to normal duty station will be compensable time charged to the applicant. ()

e. There will be a minimum charge of fifty dollars (\$50) plus mileage for any inspection. (

A mileage rate as approved by the Board of Examiners will be included in the inspection fees.

e. A per diem, lodging, and travel as allowed by state and ISDA rules, and any other out of pocket costs incurred by ISDA in conducting annual or initial certification inspections will be charged to the operation.

f. Upon approval by ISDA, private inspectors may be utilized. The applicant or operator will bear the total cost of the private inspection.

06. Scal for Registered Branded Materials. When a material is registered and added to the list of registered branded materials, the Director will approve the use of the seal in Figure 3 on the packaging and in the promotions for the sale of the registered material subject to the National Organic Program and Idaho state rules:



07. Revocation of Registration. If at any time the registered material is determined to be not suitable for organic use, the Director may revoke the registration of the branded material, remove the material from the list of registered branded materials, and revoke authorization to use the seal shown in Subsection 201.06.

20<u>21</u>. -- 299. (RESERVED)

300. CERTIFICATION REQUIREMENTS AND FEES.

01. Certification Requirements. All applicants applying for certification with the Department, must submit the application to the Department on forms prescribed or approved by the Department.

a. All organic food producers/handlers in Idaho with annual gross organic sales of more than five thousand dollars (\$5,000) must be certified with the Department, unless certified by agents other than the Department accredited under the National Organic Program.

b. Producers/handlers with annual gross organic sales of five thousand dollars (\$5,000) or less may select certification.

c. All organic food producers and organic handlers certifying with the Department are subject to an annual on-site inspection.

d. Livestock producer and handler applications will be accepted throughout the year. ()

02. Certification Fees.

a. Organic producers/handlers with annual gross organic sales of more than five thousand dollars (\$5,000) up to fifteen thousand dollars (\$15,000) or producers with annual gross income of five thousand dollars (\$5,000) or less requesting certification – <u>Certification Application Fee of</u> One hundred twenty-five dollars (\$125) that is non-refundable.

b. Organic producer/handler with annual gross organic sales of more than fifteen thousand dollars (\$15,000) – <u>Certification Application Fee of</u> Two hundred dollars (\$200) <u>that is non-refundable</u>. ()

c. A person who produces and handles their own organic food products pays only one (1) annual certification fee based on gross annual organic sales.

03. Certification Inspection Fees.(

a. The hourly rate is thirty-five dollars (\$35) including travel time. ()

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b. Travel time from an inspector's normal duty station to the inspection site and return to normal duty station will be compensable time charged to the applicant.

c. There will be a minimum charge of thirty-five dollars (\$35) plus mileage for any inspection.

d. A mileage rate as approved by the Board of Examiners will be included in the inspection fees.

e. Inspections conducted on weekends, holidays, or after normal office hours will be charged at an hourly rate of forty-seven dollars and fifty cents (\$47.50) including travel time with a minimum charge of one (1) hour plus mileage.

f. Upon approval by the Department, private inspectors may be utilized. The applicant bears the total cost of the private inspection.

301. GRADUATED GROSS SALES FEE SCHEDULE.

01. Graduated Gross Sales Fee Table. In addition to the fees prescribed above, all producers and handlers certified by the Department must remit with their certification application an amount based on their annual gross organic sales during the last calendar year, or in the case of a first-time applicant, a projected gross organic sale dollar amount for the upcoming calendar year, with a minimum fee of ten dollars (\$10). The graduated gross organic sales fee structure is as follows:

0 - 2,000	\$10
2,001 - 5,000	\$25
5,001 - 10,000	\$50
10,001 - 15,000	\$75
15,001 - 20,000	\$100
20,001 - 25,000	\$125
25,001 - 30,000	\$150
30,001 - 35,000	\$175
35,001 - 50,000	\$250
50,001 - 75,000	\$375
75,001 - 100,000	\$500
100,001 - 150,000	\$750
150,001 - 200,000	\$1,000
200,001 - 280,000	\$1,400
280,001 - 375,000	\$1,875

)

375,001 - 500,000	\$2,500
500,001 and up	0.5% of gross or- ganic sales up to \$5,000

02. Non-Refundable. Certification application fees are non refundable.

302. -- **999.** (RESERVED)

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02.06.33 – ORGANIC FOOD PRODUCTS RULES

000. LEGAL AUTHORITY.

This chapter is adopted under the legal authority of Section 22-1103, Idaho Code.

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001. TITLE AND SCOPE.

01. Title. The title of this chapter is IDAPA 02.06.33, "Organic Food Products Rules."

021. Scope. These rules govern definitions, requirements for production, handling, and labeling of organic plant and animal products. These rules further govern the general requirements for certification of producers and handlers of plant and animal products, as well as program fee structures. ()

002. -- 003. (RESERVED)

004. INCORPORATION BY REFERENCE.

The Code of Federal Regulations, Title 7, Part 205, National Organic Program Regulations (July 7, 2010April 2, 2021), except sections 205.620 through 205.622, is incorporated by reference and can be viewed online at http://www.ecfr.gov/cgi-bin/text-

idx?c=ecfr&SID=b885492294d6e01d334ae6076da2c3c2&rgn=div5&view=text&node=7:3.1.1.9.32&idno

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043. Food Products. Includes all agricultural, horticultural, viticultural and vegetable products of the soil, apiary and apiary products, poultry and poultry products, livestock and livestock products, milk and dairy products and aquaculture products.

04. Gross Organic Sale. The grand total of all organic revenue and/or sales transactions that occurred within a calendar year.

05. Materials. Any substance or mixture of substances that is intended to be used in agricultural production, processing, or handling.

011. -- 199. (RESERVED)

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01. Description of Seal. Certified operations that become certified for the first time prior to July 1, 2013

may continue to use the seal depicted in Figure 1. Certified operations that become certified for the first time July 1, 2013 and later may only use the seal in Figure 2 and Figure 3.



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02. Utilization of Seal. The Idaho organic certification seal as approved by the director and as shown in Figure 1, and Figure 2, and Figure 3, may be imprinted or affixed on labels, packages or products, or used in advertising in any manner and signifies that the standards and rules developed in accordance with the provisions of this rule and all other conditions of the provisions of this chapter have been met. ()

a. Any container manufacturer may apply for authorization to imprint facsimiles of the ISDA organic certification seal on containers of organic products. ()

b. Authorization granted to imprint facsimile seals is subject to review by the director on an annual basis, or more frequently if necessary.

201. REGISTRATION OF APPROVED MATERIALS.

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01. Registration. Registration is voluntary.

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 on forms prescribed by the Department.
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b. An applicant for materials registration must demonstrate that the material meets the requirements and standards of the National Organic Program. Specifically, the material may not be a material prohibited for use in the production, processing, or handling of organic products by 7 C.F.R. Section 205.105, and may not be otherwise prohibited for use in organic production, processing, or handling by the National Organic Program.

02. Effect of Registration. The fact that a material is registered is not a guarantee that the registered material will be acceptable for use by certified organic producers, processors, or handlers or other organic certifying agencies other than ISDA.

03. Department Not Liable. The Department is not liable for any losses or damages that occur as a result of any person's use of any registered branded material. The Department is not liable for any losses or damages that result from delays that occur in the registration process due to lack of resources or expertise. ()

04. Registration Fees. The Director may charge the following fees, which are nonrefundable and are not to exceed the stated amounts.

a. Operations that hold a current approval from a reputable third party accredited material evaluation program such as the Environmental Protection Agency, an NOP Accredited Certifying Agent, or ISO Guide 65 for the material(s) which it is seeking to register in Idaho must pay two hundred dollars (\$200) for an initial registration application fee, and two hundred dollars (\$200) each year thereafter for renewal of the registration.

<mark></mark>	All operations must pay initial and annual inspection fees to keep their product registered.
	Initial and Annual Inspection Fees. ()
a.	The hourly rate for inspections is fifty dollars (\$50), including travel time.
b. station will be c	Travel time from an inspector's normal duty station to the inspection site and return to normal duty compensable time charged to the applicant.
	There will be a minimum charge of fifty dollars (\$50) plus mileage for any inspection. ()
<mark>d.</mark> (A mileage rate as approved by the Board of Examiners will be included in the inspection fees.
e. costs incurred b (A per diem, lodging, and travel as allowed by state and ISDA rules, and any other out of pocket y ISDA in conducting annual or initial certification inspections will be charged to the operation.
f. total cost of the	Upon approval by ISDA, private inspectors may be utilized. The applicant or operator will bear the private inspection.
06.	Scal for Registered Branded Materials. When a material is registered and added to the list of

registered branded materials, the Director will approve the use of the seal in Figure 3 on the packaging and in the promotions for the sale of the registered material subject to the National Organic Program and Idaho state rules:



07. Revocation of Registration. If at any time the registered material is determined to be not suitable for organic use, the Director may revoke the registration of the branded material, remove the material from the list of registered branded materials, and revoke authorization to use the seal shown in Subsection 201.06.

202<u>1</u>. -- 299. (RESERVED)

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a. All organic food producers/handlers in Idaho with annual gross organic sales of more than five thousand dollars (\$5,000) must be certified with the Department, unless certified by agents other than the Department accredited under the National Organic Program.

b. Producers/handlers with annual gross organic sales of five thousand dollars (\$5,000) or less may select certification.

c. All organic food producers and organic handlers certifying with the Department are subject to an annual on-site inspection.

d. Livestock producer and handler applications will be accepted throughout the year. ()

02. Certification Fees.

a. Organic producers/handlers with annual gross organic sales of more than five thousand dollars (\$5,000) up to fifteen thousand dollars (\$15,000) or producers with annual gross income of five thousand dollars (\$5,000) or less requesting certification – <u>Certification Application Fee of One two</u> hundred twenty-five dollars (\$125200) that is non-refundable.

b. Organic producer/handler with annual gross organic sales of more than fifteen thousand dollars (\$15,000) Two hundred dollars (\$200).

eb. A person who produces and handles their own organic food products pays only one (1) annual certification fee based on gross annual organic sales.

03. Certification Inspection Fees.(

a. The hourly rate is $\frac{\text{thirty-five } fifty}{\text{thirty-five } fifty}$ dollars (\$ $\frac{3550}{2}$) including travel time. ()

(

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b. Travel time from an inspector's normal duty station to the inspection site and return to normal duty station will be compensable time charged to the applicant. ()

c. There will be a minimum charge of thirty-five <u>fifty</u> dollars ($\frac{3550}{25}$) plus mileage for any inspection.

d. A mileage rate as approved by the Board of Examiners will be included in the inspection fees.

e. Inspections conducted on weekends, holidays, or after normal office hours will be charged at an hourly rate of forty-seven sixty-five dollars and fifty cents (\$47.5065) including travel time with a minimum charge of one (1) hour plus mileage.

f. Upon approval by the Department, private inspectors may be utilized. The applicant bears the total cost of the private inspection.

04. Additional Services/Charges

a. Private Label Arrangement – Annual fee of two hundred dollars (\$200) per arrangement assessed to ISDA certified co-packer or handler packaging and/or affixing a private label for a non-ISDA certified entity.

b. Mediation Fee – Two hundred dollars (\$200) assessed for each request for mediation regarding Denial of Certification, Proposed Suspension, or Proposed Revocation.

c. Export and Transaction Certifications – Twenty-five dollars (\$25) will be assessed for each international export and transaction certificate requested.

301. GRADUATED GROSS SALES FEE SCHEDULE.

01. Graduated Gross Sales Fee Table. In addition to the fees prescribed above, all producers and handlers certified by the Department must remit with their certification application an amount based on their annual gross organic sales during the last calendar year, or in the case of a first-time applicant, a projected gross <u>organic sale</u> dollar amount for the upcoming calendar year, with a minimum fee of ten thirty-five dollars (\$1035). The graduated gross organic sales fee structure is as follows:

0 - 2,000	<mark>\$10</mark>
<u>02,001 - 5,000</u>	\$ 2 35
5,001 - 10,000	\$ 50<u>65</u>
10,001 - 15,000	\$ 75 100
15,001 - 20,000	<mark>\$1<u>03</u>0</mark>
20,001 - 25,000	\$1 25 65
25,001 - 30,000	\$1 50<u>95</u>
30,001 - 35,000	\$ 175<u>230</u>
35,001 - 50,000	\$ 250<u>325</u>

50,001 - 75,000	\$ 375<u>490</u>
75,001 - 100,000	\$ 50<u>65</u>0
100,001 - 150,000	\$ 750 975
150,001 - 200,000	<mark>\$1,03</mark> 00
200,001 - 280,000	<mark>\$1,4<u>082</u>0</mark>
280,001 - 375,000	\$ 1,875 2,440
375,001 - 500,000	\$ 2,50<u>3,25</u>0
500,001 and up	0. <mark>75</mark> % of gross or- ganic sales up to \$ 5,0<u>6,5</u>00

02. Non-Refundable. Certification application fees are non refundable.

302. -- 999. (RESERVED)

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IDAHO DEPARTMENT OF AGRICULTURE 2270 Old Penitentiary Road PO Box 7249 Boise, Id 83707

02.04.33 ORGANIC FOODS PRODUCTS RULES Minutes of June 15, 2021 Meeting

HOSTS/FACILITATORS:	Lloyd Knight, ISDA Kyle Wilmot, ISDA
STAKEHOLDERS PRESENT:	M Costello
	Brittany Gibson
	Young Bennett
DEPARTMENT STAFF:	Dallas Burkhalter, Office of Attorney General – ISDA
	Katy Devries, Office of Attorney General – ISDA
	Pamm Juker, ISDA
	Gwen Ayres, ISDA
	Dicsie Gullick, ISDA

Lloyd Knight called the meeting to order at 1:33 PM MDT. He explained that the comment period was open until June 20th. After the 20th, a final draft will be sent to DFM and the Governor's office for publication in the July bulletin. After publication there will be another 21-day comment period and an opportunity for stakeholders to request a public hearing. He then turned the meeting over to Kyle Wilmot, to present the strawman.

Kyle stated that some changes to the rules were because of the Red Tape Reduction Act. He then presented the strawman draft with a brief overview of the changes to the rules which were as follows:

- The title has been struck.
- The incorporated by reference had been updated to the most current version.
- Definitions were struck that were not needed or were located in statute.
- The definition of gross organic sales was added.
- In Rule 200 the figures were removed and language added that they are available on the ISDA website.
- Rule 201 was struck because it is no longer used.
- Rule 300.d was struck because it was redundant
- The certification fees in Rule 300.02 were simplified and changed so that there is just one fee across the Board.
- Language in Rule 300.03 was simplified and the hourly rate and special rates were changed.
- Rule 300.04 was added for private label services and export and transaction certifications. The fees for mediation were removed.
- The Graduated Gross Sales Fee Schedule was updated.

• The non-refundable language was struck from 301.02 because it was placed elsewhere in the rule.

Kyle explained that the removal of the mediation fees would only lower revenue approximately \$1,000 per year.

Lloyd Knight called for questions and upon hearing none, adjourned the meeting at 1:48 PM MDT.

02.06.33 – ORGANIC FOOD PRODUCTS RULES

000. LEGAL AUTHORITY.

This chapter is adopted under the legal authority of Section 22-1103, Idaho Code.

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001. TITLE AND SCOPE.

01. Title. The title of this chapter is IDAPA 02.06.33, "Organic Food Products Rules." ()

02. Scope. These rules govern definitions, requirements for production, handling, and labeling of organic plant and animal products. These rules further govern the general requirements for certification of producers and handlers of plant and animal products, as well as program fee structures.

002. -- 003. (RESERVED)

004. INCORPORATION BY REFERENCE.

The Code of Federal Regulations, Title 7, Part 205, National Organic Program Regulations (July 7, 2010April 2, 2021), except sections 205.620 through 205.622, is incorporated by reference and can be viewed online at http://www.ecfr.gov/cgi-bin/text-

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03. Educational Activity. Seminar, conference, farm tour, class, or research.

04<u>3</u>. Food Products. Includes all agricultural, horticultural, viticultural and vegetable products of the soil, apiary and apiary products, poultry and poultry products, livestock and livestock products, milk and dairy products and aquaculture products.

04. Gross Organic Sales. The grand total of all organic revenue and/or sales transactions that occurred within a calendar year.

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011. -- 199. (RESERVED)

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may continue to use the seal depicted in Figure 1. Certified operations that become certified for the first time July 1, 2013 and later may only use the seal in Figure 2 and Figure 3.



012. Utilization of Seal. The Idaho organic certification seal as approved by the director and as shown on the ISDA website in Figure 1 and Figure 2, <u>The seal</u> may be imprinted or affixed on labels, packages or products, or used in advertising in any manner and signifies that the standards and rules developed in accordance with the provisions of this rule and all other conditions of the provisions of this chapter have been met. ()

a. Any container manufacturer may apply for authorization to imprint facsimiles of the ISDA organic certification seal on containers of organic products.

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b. Organic producer/handler with annual gross organic sales of more than fifteen thousand dollars (\$15,000) Two hundred dollars (\$200).

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b. Export and Transaction Certifications – Twenty-five dollars (\$25) will be assessed for each international export and transaction certificate requested.

301. GRADUATED GROSS SALES FEE SCHEDULE.

01. Graduated Gross Sales Fee Table. In addition to the fees prescribed above, all producers and handlers certified by the Department must remit with their certification application an amount based on their annual gross organic sales during the last calendar year, or in the case of a first-time applicant, a projected gross <u>organic sale</u> dollar amount for the upcoming calendar year, with a minimum fee of ten thirty-five dollars (\$1035). The graduated gross organic sales fee structure is as follows:

0 - 2,000	\$10
<u>0</u> 2,001 - 5,000	\$ 25 <u>35</u>
5,001 - 10,000	\$ 50<u>65</u>
10,001 - 15,000	\$ 75 100
15,001 - 20,000	\$ 100<u>130</u>
20,001 - 25,000	\$ 125 165
25,001 - 30,000	\$ 150<u>195</u>
30,001 - 35,000	\$ 175<u>230</u>
35,001 - 50,000	\$ 250 <u>325</u>
50,001 - 75,000	\$ 375<u>490</u>

75,001 - 100,000	\$ 50<u>65</u>0
100,001 - 150,000	\$ 750 975
150,001 - 200,000	\$1 ,000<u>1,300</u>
200,001 - 280,000	\$ 1,400<u>1,820</u>
280,001 - 375,000	\$ 1,875<u>2,</u>440
375,001 - 500,000	\$ 2,500<u>3,250</u>
500,001 and up	0. <u>7</u> 5% of gross or- ganic sales up to \$ 5,000<u>6,500</u>

02. Non-Refundable. Certification application fees are non refundable.

302. -- **999.** (RESERVED)

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