

MINUTES
SENATE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Thursday, March 10, 2022

TIME: 8:00 A.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Burtenshaw, Vice Chairman Bayer, Senators Patrick, Den Hartog, Blair (Johnson), Zito, Ricks, Nelson, and Semmelroth

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 Burtenshaw** called the meeting of the Senate Agricultural Affairs Committee (Committee) to order at 8:01 a.m.

MINUTES APPROVAL: **Senator Semmelroth** moved to approve the Minutes of March 1, 2022. **Senator Den Hartog** seconded the motion. The motion carried by **voice vote**.

S 1380 **RURAL VETERINARIANS LOAN REPAYMENT PROGRAM** - Adds to existing law to establish a loan repayment program for rural veterinarians who treat large animals.

Senator Stennett presented the proposed legislation to create a grant program for veterinarian student loan repayments. She reviewed the provisions of the bill to (a) establish an advisory committee within the Idaho State Department of Agriculture (ISDA) to monitor and select recipients; (b) create a fund for the loan repayments; (c) provide for award of up to ten grants per year; (d) specify a grant maximum of \$25,000 per year for up to three years per student; and (e) require a recipient to contractually commit to four years of large animal veterinary practice in Idaho. She explained the reasons for the program parameters specified in the bill.

DISCUSSION: **Vice Chairman Bayer** asked how the repayment provision would be enforced. She further inquired about the process to ensure grant funds were used to repay a student loan. **Senator Stennett** replied that the advisory committee would establish grant criteria, monitor performance, and enforce contract obligations.

Senator Den Hartog inquired about the tax implications of the grants. **Senator Stennett** reported that the Idaho State Tax Commission advised the grants would likely be subject to both State and federal income taxes.

TESTIMONY: **David Claiborne**, Idaho Dairymen's Association (IDA), testified in support of **S 1380** because the program would be a tool to increase the number of Idaho large animal veterinarians. **Mr. Claiborne** stated that the dairy industry invested approximately \$39,000 each year to support the Bovine Veterinary Experience (BVE) program through Washington State University (WSU).

DISCUSSION: **Vice Chairman Bayer** asked about the number of dairies that hired their own veterinarians. **Mr. Claiborne** replied that he was aware some large dairies hired in-house veterinarians but he could not provide a number.

In response to questions from **Senator Ricks** about the dairy industry investment in veterinary education, **Mr. Claiborne** responded that the industry made ongoing annual investments only toward the expenses of the BVE program. He advised the IDA would consider whether to continue its current investment, shift resources to the loan repayment program fund, or contribute to both.

Senator Den Hartog inquired about the reasons veterinarians changed from a large to small animal practice. **Mr. Claiborne** said he could not answer the question.

TESTIMONY: **Patxi Larrocea-Phillips**, Idaho Wool Growers Association, testified in support of **S 1380** because the sheep industry also needed veterinarians throughout Idaho.

Wyatt Prescott, Idaho Cattle Association, testified in support of **S 1380** because it would help Idaho gain veterinarians for the cattle industry. **Mr. Prescott** provided data on the economic impact of agriculture for the State. He reported that State regulations required vaccination of cattle against brucellosis, while federal regulations had expanded to require veterinarians to administer vaccines and procure antibiotics. **Mr. Prescott** commented that the cattle industry had focused on encouraging young people to enter agriculture professions through scholarships and research grants.

DISCUSSION: **Vice Chairman Bayer** asked who reclassified over-the-counter drugs as prescriptions. **Mr. Prescott** responded it was the United States Food and Drug Administration.

Senator Nelson expressed surprise that a shortage of veterinarians had not caused salaries to increase enough to attract people into the profession. **Mr. Prescott** replied that slim profit margins in the livestock business would not support paying more for veterinary services.

In response to questions from **Chairman Burtenshaw** about requirements for sending cattle out of state, **Mr. Prescott** responded that veterinary health inspections were required for all cattle leaving Idaho for feeding or harvest. He noted most cattle had to be shipped out of state due to limited packing capacity in Idaho. **Mr. Prescott** said a veterinarian was required to administer brucellosis vaccinations. He reported that pregnancy had to be confirmed by a veterinarian within five days of shipping.

Senator Ricks asked what would prevent a grant recipient from changing to a small animal practice to make more money. **Mr. Prescott** answered that no incentive program would keep a veterinarian in a large animal practice. **Senator Stennett** said large animal veterinarians also treated small animals. She noted the bill specified 50 percent large animal work to allow a veterinarian to develop a more sustainable practice.

TESTIMONY: **Dr. Scott Leibsle**, Administrator, Division of Animal Industries, ISDA, introduced himself to the Committee. **Dr. Leibsle** presented data on the cost to attend veterinary school; the number, age, and location of Idaho large animal veterinarians; a 2020 Idaho cattle census; and vaccination statistics (see Attachment 1).

DISCUSSION: **Chairman Burtenshaw** asked Dr. Leibsle to explain brucellosis. **Dr. Leibsle** advised brucellosis was a bacteria that caused female cattle to abort their pregnancies. He said 60 percent of the Yellowstone National Park bison and elk herds were infected with brucellosis. **Dr. Leibsle** stated Idaho cattle were required to be vaccinated against brucellosis because domestic cattle mixed with infected wildlife. He described ISDA's efforts to mitigate the impacts of brucellosis.

Dr. Leibsle stated that a minority of Idaho veterinarians worked with large animals. He said **S 1380** would attract veterinarians to Idaho to practice large animal medicine. **Dr. Leibsle** declared it would be a success for the industry if a large animal veterinarian stayed in Idaho for three to ten years. He noted the business structure of veterinary clinics had changed over the years, creating additional pressure on veterinarians.

In response to questions from **Senator Den Hartog** about the number of veterinary graduates and the Western Interstate Commission for Higher Education (WICHE) program, **Dr. Leibsle** replied that ten small animal veterinarians graduated for every one large animal veterinarian. He observed that WICHE guaranteed seats for ten Idaho residents each year at WSU. He explained WICHE students paid in-state tuition rates, with no requirement that they enter a production animal practice. He said WICHE was similar to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) medical school program. **Senator Den Hartog** commented that the difference between in-state and out-of-state tuition was likely paid from the General Fund.

Senator Nelson mentioned that the Legislature was considering a new WWAMI requirement that students return to Idaho to practice medicine after graduation. He asked if a similar restriction on a portion of the WICHE seats would be helpful. **Dr. Leibsle** replied that the State of Kansas took a different approach by offering scholarships to veterinary students if they agreed to practice in Kansas for four years in an underserved area.

Senator Blair asked if there was a veterinary program in Idaho and the location of the closest programs. **Dr. Leibsle** answered there was no Idaho program. The closest schools were WSU, Oregon State University, University of California-Davis, Colorado State University, and a partial program at Utah State University.

Senator Zito questioned if the difference between in-state and out-of-state tuition at WSU was \$35,000 per year, would it cost the General Fund \$350,000 for ten students. **Dr. Leibsle** answered he was unsure of the WICHE contract terms.

Senator Ricks asked how many WICHE students graduated every year and how many returned to Idaho. **Dr. Leibsle** replied that he did not have licensing demographic information. He estimated 40 to 50 new veterinarians obtained an Idaho veterinary license each year.

Senator Blair asked an estimate of the cost for the University of Idaho to establish a veterinary school. **Dr. Leibsle** responded it would take a significant investment to build facilities, hire clinicians, and earn accreditation. He noted that some schools provided classroom courses for the first three years of a veterinary program but sent students to other locations for fourth-year clinical rotations.

Dr. Leibsle suggested the advisory committee could validate the veterinary practice requirement with practice logs. He mentioned the advisory committee would develop a repayment structure if a student failed to fulfill their obligation.

Senator Stennett stated she would verify Idaho's responsibility to pay any tuition difference for the WICHE program. She illustrated the need for more veterinarians by relating several anecdotes regarding wait times for friends and family members to obtain veterinary care. She reminded the Committee that the production animal industry was important to Idaho's economy and food supply.

Robert Blair said he was more comfortable with the bill after hearing additional information. He urged the production animal industry to contribute to solving the veterinarian shortage.

MOTION: **Senator Blair** moved to send **S 1380** to the floor with a **do pass** recommendation. **Senator Nelson** seconded the motion.

DISCUSSION: **Senator Patrick** commented that the University of Idaho and WSU cooperated at no extra cost to the State. He said the problem related to the loans required to attend school.

Senator Ricks said he recognized the problem but he was unsure if this bill was the solution. He mentioned growing up on a farm where he was taught to solve problems using ingenuity. He suggested ranchers could form a regional cooperative to attract veterinarians. He said he would probably not support the motion.

Senator Nelson observed the WICHE program had been in place since 1973 but was insufficient to solve the shortage. He noted the Legislature supported similar legislation for teachers. He commented the bill would incentivize veterinarians to stay in the community.

Senator Den Hartog expressed disappointment with the industry for failing to make an initial contribution. She stated that \$75,000 per individual was a significant investment for Idaho taxpayers without much guarantee. She suggested identifying other ideas such as adding more seats in WICHE to encourage participation. She said she would not support the motion.

Vice Chairman Bayer said it was not right for the taxpayers to subsidize a single group. She suggested individuals should do more to solve the problem. She stated her opposition to the motion.

Senator Zito reported that medicines historically used in agriculture were currently unavailable at the ranch stores. She added that government interference made it impossible to be independent. She suggested fighting the new requirements.

Senator Patrick noted that new regulations required drugs to be administered by veterinarians. He said it was important to follow the rules.

**ROLL CALL
VOTE:**

Chairman Burtenshaw called for a roll call vote. **Senators Patrick, Blair, Nelson, Semmelroth,** and **Chairman Burtenshaw** voted aye. **Vice Chairman Bayer, Senators Den Hartog, Zito,** and **Ricks** voted nay. The motion carried.

HCR 37

FEE RULES - HOUSE AND SENATE AGRICULTURAL AFFAIRS COMMITTEE - Stating findings of the Legislature and approving administrative rules that impose a fee or charge reviewed by the House and Senate Agricultural Affairs Committees.

Chairman Burtenshaw presented the concurrent resolution to approve certain fee rule dockets through the next year.

MOTION:

Senator Den Hartog moved to send **HCR 37** to the floor with a **do pass** recommendation. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

ADJOURNED:

There being no further business at this time, **Chairman Burtenshaw** adjourned the meeting at 9:10 a.m.

Senator Burtenshaw
Chair

Jeanne Jackson-Heim
Secretary