



STATE OF IDAHO
IDAHO STATE POLICE
IDAHO BRAND BOARD



Colonel Kedrick R. Wills
Director

Cody Burlile
State Brand Inspector

C.L. "Butch" Otter
Governor

Tom Basabe
Board Chairman

MEMORANDUM

June 6, 2018

Re: Notice of Negotiated Rulemaking Docket No. 11-021-1801

To: Valued Industry Partner,

The Idaho State Brand Board has experienced a budget shortfall dating back to FY2016. On October 2, 2017 the Brand Board adopted a temporary rule to make up this shortfall by increasing cattle brand inspection fees by \$0.25, from \$0.94 to \$1.19 and the minimum brand inspection fee from \$10.00 to \$20.00. The increase moved the Brand Board fees closer to the fee cap set in Section 25-1160, Idaho Code. This is the first cattle brand inspection fee increase imposed by the Brand Board since FY2006.

Proposed rule 11-0201-1701 was initiated in 2017 to make the temporary rule final. A procedural error occurred during the promulgation of the temporary and proposed rulemaking which resulted in inspection fees being collected in error and a refund being issued on cattle brand inspection fees. This caused some confusion within the industry and, at the direction of the 2018 legislative committees and to avoid the appearance of any improprieties, the Brand Board has opted to vacate the proposed rulemaking (Docket No. 11-0201-1701) and restart the process.

The Brand Board will continue to operate under the temporary rule currently in effect and initiate negotiated rulemaking to formulate a new proposed rule. The Notice of Intent to Promulgate initiating negotiated rulemaking has been published in the June 6, 2018 Idaho Administrative Bulletin under Docket No. 11-0201-1801.

The Brand Board's budget shortfall still exists as we prepare to enter FY2019. The Board has issued this memo so as to be transparent and eliminate any industry confusion that may arise. The promulgation of Docket No. 11-0201-1801 is **not** an additional fee increase, to that imposed in the October 2, 2017 temporary rule. Simply put, the Board is restarting the proposed rulemaking process to include formal negotiated rulemaking, while continuing to operate under the October 2, 2017 temporary rule.

The Brand Board appreciates the industry's continued support in this matter and values any public input within the negotiated rulemaking process. A copy of Docket No. 11-0201-1801, Notice of Intent to Promulgate Rules is included with this memo. The Notice of Intent as well as Draft Rule Text can be viewed on our website at www.isp.idaho.gov/brands.

Sincerely,

Cody D. Burlile
State Brand Inspector, Idaho State Brand Board