

2024 LEGISLATIVE REPORT



ABOUT OUR MISSION



WE EXIST TO ENHANCE THE BUSINESS ENVIRONMENT IN OUR REGION FOR THE FERTILIZER & AGRICHEMICAL INDUSTRY.

Far West has a long history of effectively advocating for our industry in the states where our members are located. This past year was no exception. Here is a report on our actions and outcomes for the 2024 legislative sessions in Washington, Idaho and Oregon.

Summary:

Overall, the 2024 legislative sessions were very successful. We were able to stop some very bad legislative proposals and amend others, so they did not do damage to our industry. We successfully passed a tax break extension in Washington, and we saw a very bad packaging bill die. There was one difficult moment as a bill we strongly supported in Idaho did not pass. Keep reading for details on specific bills in each state and a look at what we expect to be coming our way next year. Spoiler Alert: It is going to be a tough year!

WASHINGTON



We had a very good session in Washington state. It was a short 60-day session that focused primarily on supplemental budget issues that did not have direct impacts to the agriculture sector. We were successful in passing an extension of the Hazardous Substance Tax exemption for pesticide products stored in Washington but sold outside of the state. This is a significant tax savings for companies moving pest control products through the state. We were also successful in killing a very bad bill that would have banned small off-road engines. This bill would have forced fertilizer delivery trucks to retrofit electric motors, an unintended consequence of the bill which allowed us to effectively lobby to kill the bill. We also were able to modify the language in a neonicotinoid bill and successfully defend all commercial application uses with no restrictions.

SESSION HIGHLIGHTS

HST Exemption - HB 2454 - This is an FWAA bill that extends an existing hazardous substance tax exemption for agricultural crop protection products that are temporarily warehoused but not otherwise used, manufactured, packaged, or sold in the state of Washington. Extends the HST exemption until January 1, 2028. The bill passed the legislature after being amended in the Senate to shorten the time frame. We will come back next year and work for a longer extension.

Neonicotinoids - SB 5972: This bill was aimed at retail uses but in its original form would have had serious impacts on production agriculture. The bill was sponsored by Senate Floor Leader Marko Liias, Senate Majority Leader Andy Billig, and Senate Agriculture committee chair Kevin Van de Wege. Far West was successful in getting amendments that eliminated serious impacts to agricultural uses and also allowed homeowners to do tree injections. Applicators with a license and farmers can still purchase and apply neonics with no new impacts. The bill passed the legislature and was signed by the Governor.

Small Off-Road Gas Engines – HB 2051: This bill would have banned small off-road engines. It was aimed at gas powered lawn mowers and leaf blowers but had the unintended consequence of banning any gas-powered engine used to transfer products such as fertilizer. FWAA and the WA Farm Bureau were able to convince the bill sponsors to withdraw the proposal.



Extended Producer Responsibility (EPR) – HB 2049: EPR is a concept that requires the seller of any product covered by the law to pay for the collection and recycling of their package as it enters the waste stream. This would have included fertilizer bags sold at retail and products regulated under FIFRA. Far West successfully lobbied for language that would have exempted FIFRA products and some fertilizer packaging. The bill died when Rep. Fey introduced a floor striker that had support from 14 House Democrats. This concept will be back next year.

A LOOK TO THE FUTURE

Major changes in the make up of the legislature will make the 2025 session very unpredictable. The natural resources sector is losing several champions to retirement and resignation, including several key business friendly Democrats who held leadership positions in both the House and Senate. Another wild card is the uncertainty that is being caused by several statewide ballot initiatives that will create significant changes in the state's budget plans if they pass. The most impactful will be I-2117, an initiative to repeal the state's Climate Commitment Act which is funding a significant portion of the new Transportation budget. This initiative is widely expected to pass. There are also measures on the ballot to repeal the Capital Gains Tax and to allow an opt out on the new Long-Term Care Insurance program. Both would have a major impact to the state budget. Finally, we will have a new governor in January and the likely winner will be far more liberal and activist than the current governor. (Yes, you read that correctly)

Bottom Line: We expect the 2025 legislative session to be extremely contentious and difficult. With new leadership in multiple committees and a growing split between urban and rural interests, there will be plenty to keep us busy next session.

IDAHO



The state of Idaho is a very good place to do business. That fact is reflected in the explosive growth in the State's population and economy over the past ten years. And once again, the overall outcome of the 2024 session was very positive for agribusiness interests. Far West members' interests were protected and enhanced in multiple bills. However, new political headwinds in the state are causing a major upset in the status quo. Far West experienced those headwinds during the 2024 session, as our highest priority bill died after three very contentious attempts to move it through the process. It was an unexpected outcome and a wake-up call to all business and production agriculture interests in the state.

SESSION HIGHLIGHTS

Snake River Dams – SJM 103: The Idaho legislature once again went on record to clearly indicate the state's support for the continued operation of the Columbia-Snake River dam system. Idaho has been a strong ally in the fight against dam breaching and this joint memorial is a message to the federal government that they will face strong opposition from this sovereign interest as they continue to work to breach the four lower Snake dams.

Foreign Ownership of Ag and Resource Lands – HB 706: Idaho passed a foreign owned ag lands bill in 2023 that Far West worked to amend and make workable for our members. However, the more extreme legislators did not feel the bill went far enough and introduced HB 760 in 2024. This bill takes an aggressive approach to further limiting foreign ownership. The bill identifies specific "foreign adversaries" and has language to force sales within 180 days of notice or face forced foreclosure and sale. The bill includes a "whistle blower" provision that includes a bounty of 30% of the proceedings from the forced sale of the property, raising concerns about false claims. The bill also has very broad definitions and a new registration requirement with the Idaho State Department of Agriculture. Far West strongly opposed this bill and worked with a coalition to keep it from being heard this year. This bill or some version of it will likely be back next session.



Pesticides and Chemigation – HB 549/HB 474: This session saw several pesticide and chemigation bills proposed, both of which were supported by Far West. HB 549 will decouple chemigation from the federal licensing structure and allow Idaho to implement a state structure developed with farmers and applicators. HB474 creates a misdemeanor criminal penalty for the false reporting of pesticide and chemigation damage claims. Both bills were signed into law by the Governor.

Label As Adequate Warning – S 1432: Far West and a broad coalition of agricultural and business interests joined together to introduce this bill which would establish that the FIFRA approved label on any pesticide product was adequate as a warning to consumers about any risk associated with the use of the product. This bill was the vehicle that became the battle ground between traditional Idaho business and agriculture interests and the growing influence of the far right in Idaho politics. The initial bill failed on a 15-19 vote on the Senate floor, as far right members of the Republican caucus joined with Democrats to defeat the bill.

Following this setback, we worked to move a revised bill, engaging in discussions with stakeholders and expanding our coalition in an effort to highlight the bill's economic importance for Idaho. The revised bill, HB653, included further narrowing the label protections related to carcinogenicity and would spell out that the presumption may be rebutted by clear and convincing evidence that the warning was inadequate to protect the public or that it was procured by fraudulent conduct. This effort in the House stalled due to concerns about getting it through the Senate.

A final effort was made and S1432 was introduced. Additional changes were made to include a 3-year sunset and add a provision that the bill would only apply to existing products and their existing label and classification as of July 1, 2024. With a primary election looming we were unable to gain enough support to successfully move the final revised bill in the Senate, so the bill was pulled back to avoid another loss on the floor. We hope to be able to work this interim with our agriculture partners to prepare for efforts in 2025.



A LOOK TO THE FUTURE

The outlook for the 2025 legislative session is extremely murky. The far right is gaining influence in the Idaho legislature and has shown that they will use whatever tactics are necessary to win. This is a very significant change in traditional Idaho politics. While contention and disagreement are common, the use of "win at any cost" tactics is not something we have seen in the state previously. The outcome of the recent Republican primary highlights that fact, as several key legislative leaders were defeated by far right candidates. This will significantly shift the balance of power in the next session.

Expect more anti-business legislation in the next session, including another run at a ban on foreign owned ag lands. With significant changes in leadership in the Senate and a shift in the makeup of the legislature we expect some serious leadership struggles in the next session that will make outcomes very unpredictable.



OREGON



The 2024 session in Oregon was as quiet as any in memory for our issues. In the off years, the Oregon constitution sets the session length at 35 days. This year's session went 31 days. After two straight sessions where the legislative agenda was effectively upended by Republican boycotts and walk outs, the pressure was on legislative leadership to address several key issues, including a fix to Measure 110 which had decriminalized small quantity drug possession. Governor Kotek also brought a comprehensive housing package which was a second major focus of the legislative session. Given the short nature of the session, there was very little time for other major issues, which was good news for us frankly. Overall, we had a great session with very few bills that needed our engagement.

SESSION HIGHLIGHTS

Monsanto Settlement Fund - SB 1561: In 2018 Oregon sued Monsanto and secured a \$698M settlement over Polychlorinated biphenyls, otherwise known as 'forever chemicals.' The bill invests and distributes the funds from the Settlement Agreement into three new accounts. The money is intended to supplement efforts by tribal governments, executive branch agencies, and disproportionately impacted communities to address environmental contamination that has harmed the environment and human health. The bill also establishes the Environmental Restoration Council within OWEB and requires the Council to submit a biennial report to the Governor and Legislative Assembly that describes the purposes for which funds were used and the outcomes achieved by funding recipients.

PFAS in Biosolids Applied to Agricultural Lands - HB 4049: This bill would have directed Oregon State University Extension Services and the OSU College of Agricultural Sciences in collaboration with the Oregon Department of Environmental Quality, to study the fate and transport of perfluoroalkyl and polyfluoroalkyl (PFAS) found in biosolids applied to agricultural fields that do not produce crops for human consumption and to report the findings to the legislature in 2027. The bill moved out of committee and to Ways and Means where it died. We expect another PFAS bill in the next legislative session.



Brassica Production in the Willamette Valley (Canola Bill) – HB 4059: As background, in the 2023 session a bill was introduced to make the existing 500-acre cap on canola growth in the Willamette Valley Protected District permanent. After much debate and opposition from the agriculture industry, the bill was amended to form an interim workgroup administered by the Oregon Department of Agriculture (ODA) tasked with bringing forward recommendations for a bill in the 2024 session.

After a handful of workgroup meetings, ODA presented their recommendations in November to the interim House Agriculture Committee. The recommendations included creating a public pinning map, new isolation distances of three and four miles (larger isolation distances for genetically engineered brassicas), and removal of the 500-acre cap.

Unfortunately, the specialty seed industry, who strongly opposes growing canola in the Valley, and their partners fought hard against the recommendations from the beginning of session, threatening that without an acre cap canola had the potential to destroy their industry. As a result, an amendment to the bill was proposed which would have established new permanent restrictions on genetically engineered (GE) canola. After a strong opposition effort by the agriculture industry to the GE amendment, the coalition was successful in removing the restriction language, preventing unnecessary regulations on genetically engineered crops.

As passed, the bill only extends the existing regulations (500-acre cap) on all canola grown in the Willamette Valley Protected District until the end of 2027.

A LOOK TO THE FUTURE

While the 2024 session was very bi-partisan and restrained, don't expect that in 2025. Environmental interests have a number of initiatives planned and the Governors office is bringing a comprehensive water management proposal that has the potential to be controversial. The details of that package will not be fully known until sometime next fall. We expect further legislation on carbon emissions with a bill that would lower the carbon emission cap. It is highly likely that we will see new regulations proposed in the Lower Umatilla that will require some type of reporting or even permitting for the application of fertilizers in the groundwater management area. We are not aware of any new product ban legislation at this time but given the makeup of the legislature that is entirely possible.

Overall, we expect the 2025 session to be long and contentious.

MEET YOUR LOBBY TEAM



Ben Buchholz Washington



Elizabeth Criner Idaho



Nicole Mann Oregon



Craig Smith Executive Director