



GRAZING RATE METHODOLOGY REVIEW

Public Review & Comment Summary

PUBLIC MEETINGS

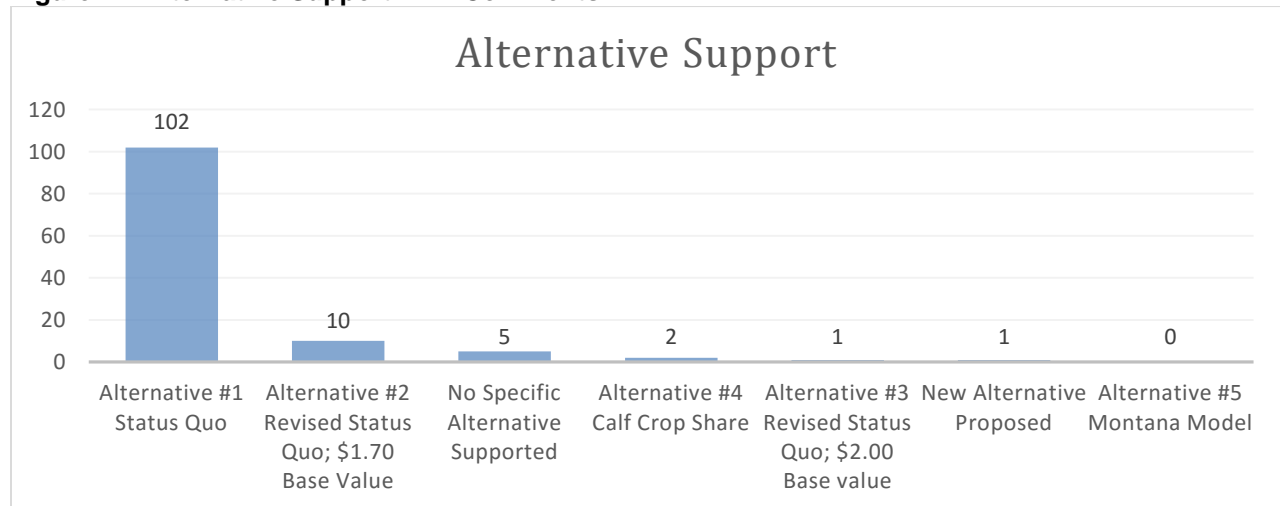
On July 1, 2017, the Idaho Department of Lands (IDL) began a public review and comment period for the Idaho State Board of Land Commissioners Grazing Rate Methodology Review. During this time, four public meetings were held to engage stakeholders in the review process, explain alternatives, answer questions, and present additional information regarding the proposed alternatives. The “Grazing Rate Methodology Review” document was provided to all in attendance, which provided brief summaries and a financial analysis of each alternative. Emphasis was also placed on the importance of submitting comments and public engagement in this process. Public comment forms and instructions on how to submit comments were provided to all attendees. The meeting schedule and attendee numbers are outlined below.

Meeting Date and Location	Lessees/Members of the Public in Attendance
July 25 th , 2017 – Lewiston, ID	7
July 26 th , 2017 – Idaho Falls, ID Meeting #1	9
July 26 th , 2017 – Idaho Falls, ID Meeting #2	11
July 27 th , 2017 – Nampa, ID	15

PUBLIC COMMENTS

The public comment period commenced July 1, 2017 and ended September 1, 2017. Instructions for submission of comments were provided at public meetings, posted on IDL’s website, and provided in a mailer sent to each of IDL’s grazing lessees. At the close of the comment period, IDL had received a total of **118** comments. Comments were submitted electronically (via email and IDL’s comment webpage), as well as hard-copy submissions via mail. Comments were tracked, organized, and categorized by the commenter’s alternative preference, organization being represented, and lessee status. Analysis of these comments can be found in the figures below. The submitted comments, in their entirety, are also available for review upon request.

Figure 1 – Alternative Support – All Comments*



*Some commenters supported multiple alternatives

Overall, **86% of commenters support Alternative #1, Status Quo**, with **16% supporting a change to the current lease rate formula**. It should be noted that a majority of the comments received by IDL were standardized form letters from the Idaho Farm Bureau, totaling 78 out of 118 comments received. Of the 78 standardized form letters received, three were identified as current state lessees (as could reasonably be determined by information provided within the comment letter and IDL records). Farm Bureau standardized form letters support Alternative #1, status quo, stating that the “grazing fee formula has worked well for nearly 25 years”. The letter also states that the current system allows for premium bids “over and above the base rate” and that since few leases are conflicted, that this is an indicator that the current grazing rate is already at or above the market value for the forage. The Idaho Farm Bureau also submitted an official comment letter that contained many of the same points but in greater detail.

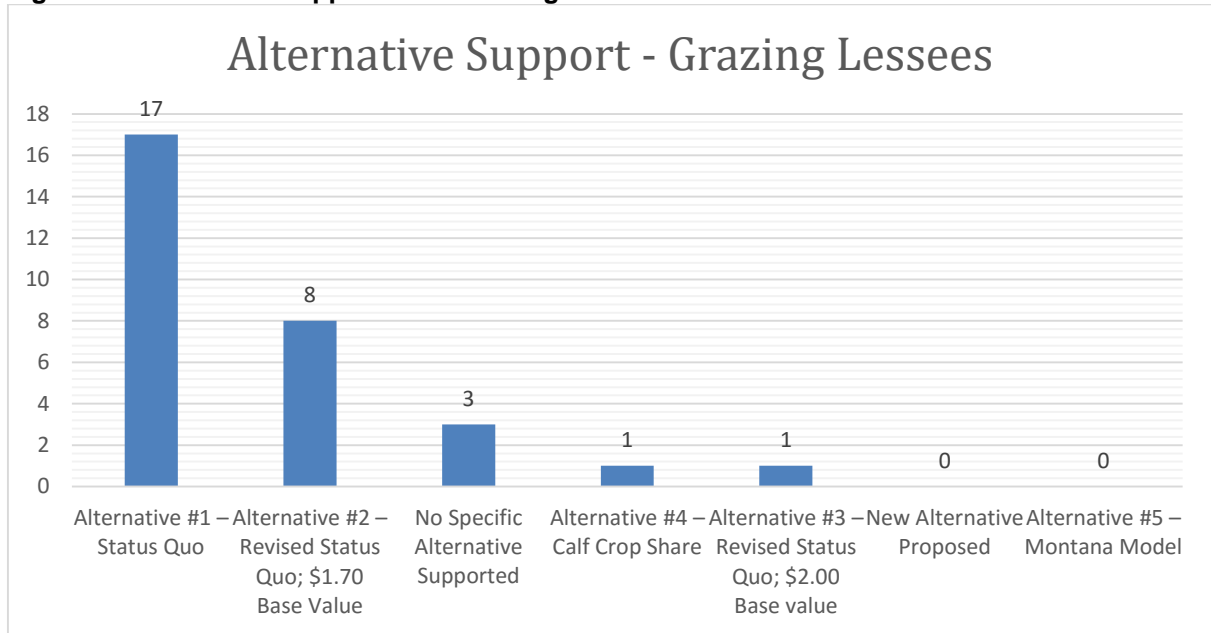


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In terms of the remaining comments received, 31 or 26% were from current lessees (as could reasonably be determined by information provided in comment letters and IDL records). Lessees exhibited a slightly different variation in support compared to the comments as a whole, with **56% supporting Alternative #1, Status Quo and 43% of lessees supporting a change from the Status Quo Alternative**. The following figure shows alternative support from current lessees that participated in the comment process.

Figure 2 –Alternative Support – IDL Grazing Lessees



In addition to Idaho Farm Bureau and current lessees, comments were also received from various interest groups across Idaho, including the Idaho Cattle Association, Idaho Wool Growers Association, and Western Watersheds Project. In addition to comment letters, two analysis papers were received during the comment process. Idaho Cattle Association submitted “An Economic Evaluation of Leased State Grazing” which is a paper prepared for the Simplot Company in 1995 by John S. Nalivka. The analysis seeks to determine the micro and macro-economic values of one state lease (leased by Simplot Company) consisting of 64 AUMs of forage. The goal is to illustrate the “non-fee” costs that producers incur beyond the grazing lease rate, which “have generally ranged from \$15 - \$25 per AUM”. Mr. Nalivka provided a recent statement regarding this publication stating, in part, “while this report is not current, the methodology and conclusions are still relevant in 2017”.

Western Watersheds Project also submitted an analysis paper titled “Comments on the Idaho Department of Lands 2017 Grazing Rate Methodology Review”, prepared by Power Consulting Incorporated, published on August 30, 2017. This 26-page paper addresses many topics regarding the grazing rate and alternatives, stating that none of the proposed formula alternatives “reflect the fair market value of the forage...”. In light of that, and based off of IDL and U of I Policy Analysis group publications, Power Consulting recommends a different alternative formula: 84% of Idaho’s private lease rate.

All comments, in their entirety, are compiled as **Attachment 1**. Due to the size and quantity of pages contained in the attachment, the attachment may be requested from IDL in electronic or hard copy form. To request Attachment, or any other questions regarding the public comment process, please contact:

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