

MINUTES
HOUSE AGRICULTURAL AFFAIRS COMMITTEE

DATE: Tuesday, February 28, 2017

TIME: 1:30 P.M.

PLACE: Room EW42

MEMBERS: Chairman Boyle, Vice Chairman Dayley, Representatives Bell, Miller, VanOrden, Burtenshaw, Kerby, Troy, Stevenson, Amador, Armstrong, Hanks, Zito, Erpelding, Toone

**ABSENT/
EXCUSED:** None

GUESTS: Doug Gross, Gross Farms; Jodie Ellis, BOVM; Travis Blacker, IPC; Wyatt Prescott, ICA; Patrick Kole, IPC; Brent Olmstead, CALS; Stephanie Mickelsen, Mickelsen Farms; Janet Ughthcart; Brandy Kay, IWGA

Chairman Boyle called the meeting to order at 1:39 p.m.

RS 24837: **Jodie Ellis**, Director of Veterinarian Medicine, stated the proposed legislation is to impose an increase of \$85 in annual renewal fees for licensed veterinarians in 2017, 2018 and 2019. She said the increase is necessary to avoid a financial crisis faced by the Board of Veterinary Medicine. It would allow revenue assistance in the purchase of a modern, functional, user friendly web-based licensing software program and help to meet anticipated operating, personnel and capitol expenditures.

MOTION: **Rep. Miller** made a motion to introduce **RS 24837. Motion carried by voice vote.**
Frank Muir, President, CEO, Idaho Potato Commission, stated Idaho is known for potatoes more than any other state is known for anything else, showing the strength of the commission's programs. He explained the financial report through August 2016, focusing on the variance. The report shows the revenue created by the potato tax was above what had been budgeted due to higher yields. He said the commission was able to attain a grant to help expand exports for Idaho potatoes resulting in a net increase in revenue of \$276,631 over budget. He stated it is always the goal of the commission not to build up a large savings account but to reinvest any variance back into working dollars.

Mr. Muir said this year's budget is based on a harvest of 320,000 acres, resulting in 13 billion pounds of potatoes. That amount of potatoes would fill 500 Albertson stadiums stacked 10 feet high which is the amount of potatoes the commission markets each year.

In response to a committee question, **Mr. Muir** said the commission uses two advertising agencies. One of them is located in Boise and they have done such an outstanding job for the commission that several other potato agencies also use them. He said the other agency is out of Santa Barbara, California, whose speciality is commodities and organizations such as the Potato Commission.

In response to a committee question concerning what the commission is doing about PNC, **Mr. Muir** explained eradication from the beginning has been their goal. He said representatives from all over the world including Scotland, where they have a major problem with PCN, recently addressed the potato growers at the Potato School. He said there are 27 infested fields all within an 8.5 mile radius. Twenty-five of the 27 fields have been treated in some form to try and eradicate PCN. He stated 20 of 25 fields have been tested to date with no viable PCN found. He said so far testing is proving eradication is successful. He stated they are working with the University of Idaho and other surrounding universities in the west, conducting research on the Leachy Tomato and on mustard used as a suicide hatch against the PCN. He said between federal, state and industry, they are spending about a million dollars a year on research.

Mr. Muir commended the USDA and ISDA for working out a way to compensate those who had cattle affected by methyl bromide tainted hay.

Stephanie Mickelsen, Michelsen Farms, in response to a committee question, said she had no knowledge of any law suits against the chemical company for the problems caused by methyl bromide.

Ms. Mickelsen explained the growers affected by PCN went to the commission with a suggestion that the best way to handle the situation would be to get funding to set the ground aside so it was not being tilled, or turned or used to grow straw. The cost would be much less than the 42,000 dollars per acre that has been spent so far. She said she spoke to the same Scottish Scientist who said if PCN is to be controlled, you have to look at the seed ground.

Ms. Mickelsen said over the last 5 years, the growers cost to the commission is 50 dollars an acre. She said the growers' return is only 38 dollars per acre. She stated when the commission makes more money an acre than the grower, it seems time to look at restructuring.

Rep. VanOrden explained, a committee to study the PCN issue was formed a few years ago. She said when the methyl bromide issue came up, the focus of the committee changed to take care of that problem.

Frank Muir was called upon to respond to questions raised. He stated no one is more up-set that prices are not higher than he is, but to keep in mind, 13 years ago the farm gate revenue for potatoes was 400-500 million dollars a year, whereas now it is close to one billion dollars a year. He said there is no easy solution to the PCN problem. He said when they met with the affected growers, they said their goal was to get back to growing potatoes, therefore eradication had to be the solution. He stated 20 out of 25 fields are able to grow potatoes again so they are making progress and meeting the goals of the majority of the growers. Mr. Muir said currently there is no path to plant compensation, as there is for cattle compensation, through either the USDA or EPA. He said the commission is continuing to invest energy and funds to help solve this problem.

In response to a committee question, **Mr. Muir** said the commission was awarded a grant in researching how to transport potatoes overseas without having them rot. He said they have trucks in Singapore, Malaysia and now in the Philippines with the "It's Real" seal added to their delivery trucks carrying Idaho potatoes.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:25 p.m.

Representative Boyle
Chair

Joan Majors
Secretary