

MINUTES  
**HOUSE AGRICULTURAL AFFAIRS COMMITTEE**

**DATE:** Monday, February 12, 2018  
**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:** Rep. VanOrden  
**GUESTS:** Andrew, Mark and Stephanie Mickelsen, Farmers; Rick Waitley, Food Producers; Lloyd Knight, ISDA; Travis Blacker, IPC; Mary Hasenoehrl, Farmer; John Eaton, IACI; Dennis Tanikuni, Idaho Farm Bureau; Randy Hardy, IPC; Patrick Kole, IPC  
**Chairman Boyle** called the meeting to order at 1:34 p.m.

**Rick Waitley**, Idaho Food Producers, introduced the 18th annual enrollees from the Agriculture Economic Public Policy class. He explained they are juniors and seniors from the University of Idaho observing and learning how public policy works in the State of Idaho.

**Frank Muir**, Idaho Potato Commission, CEO, President, introduced the members of the commission accompanying him today. He stated 2017 was a strong year in terms of revenue with farmers growing more potatoes than were budgeted for but regardless they were able to sell them all. He said growers planted more than 320,000 acres of potatoes, which result in a farm gate revenue of nearly \$1 billion dollars. The total economic impact of the Idaho potato industry is over \$4 billion dollars. He explained the reserve but emphasized they don't have a large reserve preferring to have all dollars working for the growers.

In regards to the proposed nuclear seed potato lab at the University of Idaho in Moscow, **Mr. Muir** said the IPC proposes to commit to funding this project with a total sponsorship of \$1.25 million, paid in equal annual increments over 10 years. He said the lab would ensure that Idaho maintains a clean supply of seed potatoes for years to come.

**Mr. Muir** explained one of the challenges this year is transportation and the impact of Electronic Logging Devices (ELD) on the Idaho Potato Industry. He said they have received numerous notifications stating the ELD's and Hours of Service (HOS) rules have caused a substantial increase in transportation costs. In some cases, rates have increased an additional 40-60% for both trucks and rail service over the last few months. He explained this has had a negative impact on the supply of transportation and not only has it impacted the potato industry but it is affecting all commodities and products around the country.

**Mr. Muir** presented some of the accomplishments the IPC has been able to make in the past fourteen years. They have been able to fight back the negative restrictions placed on potatoes during the era of the low carb diet, began advertising nationally and around the world for the first time, became a one stop shop for all varieties of potatoes, and grew the annual average Farm Gate revenue from \$663 million to \$980 million. He explained the success of the various marketing projects including the Potato Truck, Potato Bowl game and the Potato Drop on New Years Eve.

In response to a committee question, **Mr. Muir** explained why Idaho should be the location of another processing plant. He said research shows Idaho is the best low-cost location in the US for such a facility.

**Andrew Mickelsen**, Grower, stated his family farm is run by a 5th and 6th generation of Idaho Farmers. He said their operation includes seed potatoes, large commercial potato farm, potato packing shed and potato processing plant. He said they employ over 250 people and will pay the IPC almost \$46,000 this year. He explained the assessment of \$0.125 a CWT to the IPC. He said the IPC is made up of 9 Commissioners. He explained 5 of them are growers, 2 are processors and 2 are shippers. He reported how the commissioners are picked from three names nominated by the growers, shippers and processors and then the Governor selects one to fill the seat. He said he would like to see better representation based on the percentage of growers, processors and shippers in the area.

**Stephanie Mickelsen**, Grower, in response to a committee question said they need a less complicated way to request a reduction of assessment during the lower yield years.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:53 p.m.

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Representative Boyle  
Chair

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Joan Majors  
Secretary