

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

SENATE CONCURRENT RESOLUTION NO. 4050
(Senator Wanzek)
(Representatives Lemieux, Nelson, Nicholas)
(Approved by the Delayed Bills Committee)

A concurrent resolution urging Congress to direct the Secretary of Agriculture and the federal Risk Management Agency to establish a pricing policy so crop revenue coverage for durum can be continued.

WHEREAS, crop revenue coverage historically has provided coverage for both low prices and low yields; and

WHEREAS, crop revenue coverage had initially included an adjustment to reflect the higher price that durum usually commands over spring wheat; and

WHEREAS, North Dakota farmers typically produce more than two-thirds of the nation's durum; and

WHEREAS, in 1999 North Dakota farmers successfully sued the federal government when crop insurance terms were altered after the farmers had purchased policies; and

WHEREAS, the lawsuit settlement amounted to over \$40 million, or approximately \$5,000 for each of 8,000 farmers; and

WHEREAS, a key component of providing crop revenue coverage is the establishment of a base price, or the lowest price that a farmer would be guaranteed for a crop; and

WHEREAS, disagreement exists regarding the time period used to set the base price; and

WHEREAS, the federal Risk Management Agency on March 5, 2001, notified insurance companies that it would not offer crop revenue coverage for durum this year; and

WHEREAS, the federal Risk Management Agency stated that it had to withdraw the policies because durum trades on the futures market were too few to allow the agency to set a base price for durum; and

WHEREAS, the notification by the federal Risk Management Agency effectively left farmers under two weeks to change their insurance plans before the March 15, 2001, deadline; and

WHEREAS, a federal judge on March 15, 2001, refused to direct the federal Risk Management Agency to extend the insurance deadline for at least ten days; and

WHEREAS, North Dakota's durum crops have suffered in recent years from disease brought on by wet weather; and

WHEREAS, the lack of an adequate crop revenue coverage policy would be a severe blow to the North Dakota durum industry;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

That the Fifty-seventh Legislative Assembly urges the Congress to direct the Secretary of Agriculture and the federal Risk Management Agency to establish a pricing policy so crop revenue coverage for durum can be continued; and

BE IT FURTHER RESOLVED, that the Secretary of State forward copies of this resolution to the Secretary of Agriculture, the administrator of the federal Risk Management Agency, the chairmen of the Senate and House Agriculture Committees, and to each member of the North Dakota Congressional Delegation.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

Filed in this office this _____ day of _____, 2001,
at _____ o'clock _____ M.

Secretary of State