



**Testimony of Jean Henning
On behalf of the North Dakota Corn Utilization Council
January 27, 2023
In Opposition of 1153**

Chairman Thomas and members of the House Agriculture Committee,

My name is Jean Henning, I am the Executive Director of the North Dakota Corn Utilization Council (Council). I have been at the North Dakota Corn Utilization Council since 2015. At that time, I was hired as the financial director for both the North Dakota Corn Utilization Council and the North Dakota Corn Growers Association (Association). I have served as the Executive Director of the Council since 2019. On behalf of the ND Corn Utilization Council, I express opposition to HB 1153.

The financial relationship between the Association and the Council has been complicated since the day I started. The Council had multiple audit findings. We had the Attorney General's Office threatening Council members and the Executive Director at the time with legal action. We were here before this very committee defending ourselves in 2017 and legislation asked us to increase space between the Council and the Association. We have since made the necessary changes to satisfy that request. We have worked hard to bring integrity back to the checkoff and have cleaned up all audit issues.

HB 1153 will reduce checkoff monies to be used for research, education, promotion and market development. We have used research funds to support corn diseases, pests, noxious weeds, soil health and many others. This research is critical to farmers in the state when issues arise on the farm. These projects not only support our universities but also provide opportunities for graduate students. If HB 1153 is passed, the Council will not be able to sustain the current research budget of \$1M-\$1.5M per year. We will use our reserves to honor all commitments to our research universities but going forward this budget will have to be significantly reduced. We have also received a proposal from NDSU Animal Sciences to fund a new swine facility on campus. The Council will not be able to support this facility or other important future projects at our universities due to a lack of funds.



HB 1153 requirement to purchase services is counter to the State of North Dakota's procurement laws, open meeting laws and transparency laws. Additionally, once these funds have left the corn fund, they will no longer be subject to state transparency and open meeting requirements. These funds will be deposited into a Bell Bank Account in Fargo. Who will oversee that financial controls are in place to make sure that the farmers money is being used for the purpose that you have described in this action? The ND Corn Utilization Council will maintain its financial controls and full transparency. How will the other half of the checkoff be held to these same laws?

Thank you for your time and consideration.