



Testimony of Andrew Mauch, President of the North Dakota Corn Growers Association

In SUPPORT of HB 1153

March 24, 2023

Thank you Chair Luick and members of the Senate Agriculture Committee. For the record, my name is Andrew Mauch and I am the President of the North Dakota Corn Growers Association and I am speaking in support of HB 1153. I farm with my family near Mooreton, ND where we grow corn, soybeans, and sugarbeets.

While the Corn Growers Association did not request or initiate this legislation, we have been brought into the discussion by default as we are at a crossroads as this is a significant determination of our future. The genesis of HB 1153 was the coming together of former board members and leaders of the state's corn industry, both from the Growers Association and the North Dakota Corn Utilization Council, some of each will testify in support together.

A little background for committee members who are not familiar with the role of checkoffs or grower associations and the corn checkoff in North Dakota in particular. The North Dakota Corn Growers Association was founded in 1987 by a handful of state corn growers concerned about counter prevailing tariffs on corn in Canada. We are a non-profit, having just celebrated 35 years last fall, in which the Governor declared it North Dakota Corn Growers Association Day, the Agriculture Commissioner and U.S. Senator John Hoeven attended and spoke at our anniversary program that day. They noted the unique and critical value the Growers Association has brought to them as elected officials over the years providing information and education to them on how public issues affect. Congressman Armstrong plans to be at our Northern Corn and Soybean Expo in Fargo February 14 to be on a panel about the upcoming Farm Bill. Our state's congressional delegation works with us regularly, and more intensely when critical issues come up like the development of a disaster program, how it will impact our famers. We have alerted them to ag problems in the law of which public officials were not aware. We represent the more than 13,000 corn growers of the state, have the most interaction at the grass roots level and are the face of North Dakota Corn.

Four years later in 1991, the North Dakota Corn Growers leaders approached the state legislature to ask them to approve a check-off, an assessment on all corn marketed and sold in the state at $\frac{1}{4}$ of 1 percent

of the value per bushel. The state agency, the North Dakota Corn Utilization Council was established to receive the revenue and administer how it is spent. At today's corn prices, it is about 1.5 cents per bushel. In the last fiscal year, this generated about \$5 million in corn assessment revenue. The stated purpose of the funds in state century code is for "research, education programs, and market development efforts as well as participation in programs under the auspices of other state, regional, national, and international promotion groups."

Until the last six to seven years, the Association and the Council boards worked closely together to serve the same constituency, the corn growers of the state. It is imperative that we continue to do so as we need each other.

We currently have contracts for services with deliverables from the Council. We help them to communicate with the growers of the state by publishing their content which communicates how they spend the corn check off dollars and some advertising and promotion. We have a contract with them for leadership and education of growers that we do not utilize very much because it is difficult to get the Council's approval on a case-by-case basis for each use. In the most recent fiscal year, we receive about 6 percent of the checkoff in this manner. Our current budget is about \$522,000 and we employ two full-time employees.

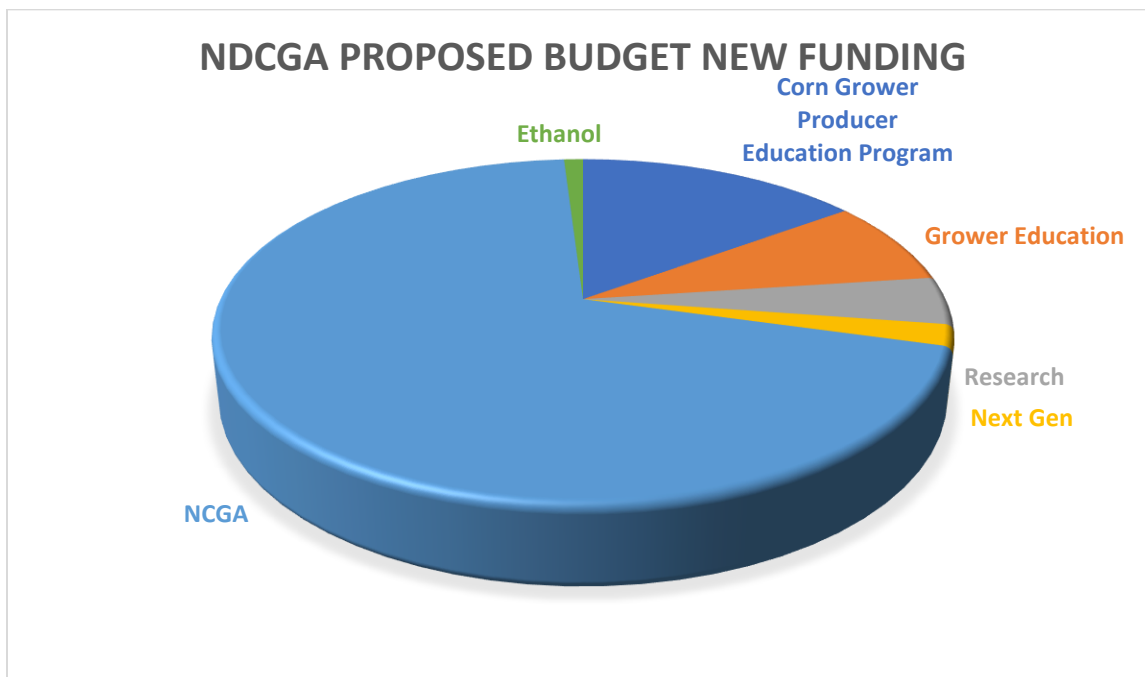
But what is missing is that we need agreements for educating public officials on issues that affect our corn growers' bottom lines. Over and over again we hear from growers that of any use of the corn tax that growers pay, the **best return on investment** is educating our federal and state officials on issues critical to grower success like the upcoming Farm Bill and funding of USDA nutrition programs, crop insurance, Environmental Protection Agency regulations, Waters of the U.S., the use of ethanol and biofuels in automobiles, and the list goes on and on. In fact, growers already assume that is how it is used. In other states, they use their corn check offs to educate in this matter, other commodities in this state do so too. This legislation will allow the Growers a more equitable way of sharing these revenues paid by our growers to benefit them.

NDCGA would seek input from its Board and growers of the state at large, but preliminarily we propose that the growers share of the corn funds be used for:

1. Corn producers from North Dakota would **educate elected and appointed public officials** on issues important to growers on matters including Farm Bill farm and nutrition programs, Waters of the U.S. (WOTUS), EPA, ethanol and more. We will go out to ND communities around the state to get input and direction directly from growers who invest in the corn check off.
2. **Next generation leadership** for post-secondary students in agriculture: developing the next generation of ag leaders is important so that they will know how to engage with public officials to advance North Dakota agriculture. This is increasingly a lost art.
3. Partnerships with **National Corn Growers Association**: This would be the largest part that is most likely more appropriately placed with the growers because NCGA is so focused on policy. Currently about \$700,000 is paid by the ND Corn Council to the national association for various programming including work on risk management, market development, ethanol, sustainability

and education of public officials. We will take on a large percentage that would shift from the Council to the Growers.

4. **Grower education:** Lunch and learn style education opportunities for in person and virtual education of growers on topics of most interest at the time, to growers in ND
5. **Ethanol:** Currently the Council is not a member of any of the three national ethanol groups and there is much happening like working with auto manufacturers on a next generation fuels act to diversify our fuel supply and take greater advantage of low-cost, low-emission, and high efficiency ethanol to give drivers affordable choices as we decarbonize and clean up transportation.
6. **Research:** We see the need for more economic research as it relates to corn that more directly relates back to policy.



In sum, these proposed uses of the corn assessment are in keeping with the original purpose of the check off in North Dakota Century Code and that is largely EDUCATION. It will bring the ag producers of the state, the corn growers, back to the table to determine their priorities for the use of these funds they pay.

We ask for your support of HB 1153 and a "do-pass" recommendation. I stand for any questions you may have. Thank you.