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Testimony on SB 2161
Senate Agriculture and Veterans Affairs Committee
Thursday, January 16, 2025

Chairman Luick and members of the Senate Agriculture and Veterans Affairs Committee, it is my pleasure to be with you today. Good morning, my name is Scott Huso, Board Member of the North Dakota Wheat Commission, and proud wheat farmer from Aneta, North Dakota. Not only am I a proud wheat farmer, I'm proud to be part of an industry that has provided a backbone for North Dakota since my ancestors settled here in 1883. I am here today to testify in support of Senate Bill 2161.

The North Dakota Wheat Commission Board unanimously supports this 5 mill increase in the wheat check-off. There are many opportunities for wheat moving forward and we want to be in a position to be able to fund those opportunities for North Dakota producers. At our recent Annual meeting of county representatives, we also discussed an increase in the wheat check-off, and there was overwhelming support to pursue an increase. During the process of consideration, I gained a great education on the work that is involved in moving this proposal forward and the positive effects that the check-off provides.

It was very interesting for me to learn that the current check-off amount of 15 mills (1 ½ cents per bushel) was established 20 years ago, in 2005. Many major accomplishments have taken place through the North Dakota Wheat Commission because of that investment. Research at North Dakota State University – both wheat breeding and many other facets of wheat production; International promotion of the highest quality classes of wheat in the world – hard red spring wheat, and durum – to customers that are willing to pay a premium for our wheat; Domestic promotion through wheat quality tours and interaction with customer mills and bakeries; Education for purchasers through courses hosted at Northern Crops Institute and Wheat Marketing Center; and education for consumers regarding the positive impacts that a wheat-related diet can have on their life and the role that modern agriculture plays in producing the food they purchase. Most importantly, the Commission helps educate farmers about how the high-quality wheat that they raise is demanded by millers, bakers, and pasta producers throughout the world.

The North Dakota Wheat Commission has long prioritized international market development to enhance market opportunities for North Dakota wheat farmers. And since 2005, the cost of achieving those goals has continued to increase, while competition has not decreased. We have had a lot of success for our premium quality wheat. With an increased check-off, I believe that the North Dakota Wheat Commission will have the ability to achieve more goals on behalf of the North Dakota wheat farmer.

Here are just a couple of examples that I've noticed. I sit on the Board for the Wheat Marketing Center in Portland, Oregon. Last February members of our North Dakota Wheat Commission took a trip to Portland to tour the WMC office and other related businesses in the area. We went to several businesses, including pasta processing, a tugboat company, a bakery with a retail location, and a visit to Dave's Killer Bread – a very successful bread bakery in Portland. It turns out that Dave's Killer Bread uses Canadian spring wheat flour as their main ingredient. I was shocked to see that – especially for as popular as they are throughout that region. I believe this is something that can be overcome with an expanded focus on domestic promotion of our high-quality flour.

In November of 2022, I was part of a delegation through US Wheat Associates that visited three different cities in Southeast Asia to promote three different classes of wheat – Bangkok, Jakarta, and Manila. My role was the farmer of hard red spring wheat. Our audience in each location was millers and bakers from that region. For each class of wheat, we would present on production, quality, supply and demand, and the perspective of the farmer. During each presentation, the crowd was very interested to hear how dedicated the farmer is to produce a high-quality wheat seed to produce high quality flour. The area in SE Asia is critical to the development of the international market for our hard-red spring wheat. We need to continue to educate international buyers about the effort that is used to create high quality hard red spring wheat.

I have recognized that we need to do a better job of educating wheat farmers on the importance of quality in the equation that they use to select wheat varieties. We are already seeing wheat merchandising companies contract production for specific varieties. This is not going to slow down, and farmers need to be ready to adapt to this potential new format for raising different types of wheat.

Finally, my hometown of Aneta is fortunate to still have a café. I'm a reliable customer of the café. Several years ago, I ordered breakfast there: two eggs with white toast and a coffee. The daughter of the owner wrote down my order and took it to the grill so that her mother could prepare the meal. While there she asked her mom, "what's the difference between white and wheat bread?" Her mom told her that white bread is made with wheat that was sprayed with a chemical that bleaches out the color in the kernels which results in the lighter colored flour. I stood up right away and shared with both of them that white bread is the result of the removing the bran and germ layers of the wheat kernel during the milling process. That is what causes the lighter color. The mother told me that she thought it was caused by chemical but was happy to know that it was a mechanical method that resulted in white bread. That experience showed me that we need to do a better job of educating our end product consumers about the healthy characteristics of hard-red spring wheat flour.

Things within this part of the agricultural industry are changing, and the North Dakota Wheat Commission wants to continue our role as a leader in the wheat industry.

Thank you for your time this morning and I urge you to support SB 2161 in its current form. I would be happy to answer any questions you might have.