

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1467

2001 HOUSE NATURAL RESOURCES

HB 1467

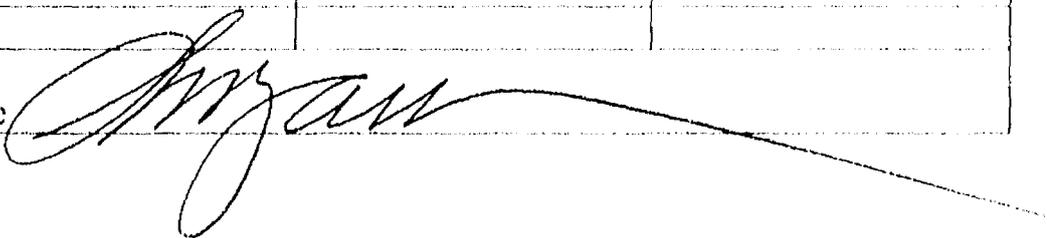
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1467

House Natural Resources Committee

Conference Committee

Hearing Date February 1, 2001

Tape Number	Side A	Side B	Meter #
2	x		360 to 2683
3	x		815 to 1115
Committee Clerk Signature 			

Minutes:

Chairman Earl Rennerfeldt, Vice Chair Jon O. Nelson, Rep. Brekke, Rep. DeKrey, Rep. Droydal, Rep. Galvin, Rep. Keiser, Rep. Klein, Rep. Nottestad, Rep. Porter, Rep. Weiler, Rep. Hanson, Rep. Kelsh, Rep. Solberg, Rep. Winrieh.

Chairman Rennerfeldt: I will open the hearing on HB 1467.

Rep. Dennis Johnson - District 12: A bill dealing with the Herb Fund or the Environmental Range Protection Fund. This money has been here from the registration of chemicals and such is asking to be transferred to minor use.

Chairman Rennerfeldt: Any questions of the committee?

Rep. Mike Brandenburg - District 26: I too am here to support HB 1467. This minor use fund is really important in minor use crops that have benefited from the Minor Use Fund.

Chairman Rennerfeldt: Could you explain what they mean by the Minor Use Pesticide Fund?

Brandenburg: Within the Range Land Protection Fund is a Minor Use Pesticide program which deals with the different chemicals and their use. The Minor Use Pesticide Fund was set up to deal with those crops that deal in Minor Use. The whole Range Land Protection Fund is a part of that process.

Rep. Winrich: I just want to clarify what I think I understood. Basically what this bill does is simply continue a practice that has been going on for some time. Is that correct?

Brandenburg: Yes, if you look back at the last biennium, this Minor Use Fund has been a very good product. We are again here to ask that the Minor Use Fund be provided a fund to take care of those crops because those crops, without the research being done, this fund has helped those crops. In that half million dollars is a return of 10 to 20 times. This is a very good fund. We ask your support to do this.

Rep. Droydal: How large is this fund and this 500,000.00 transfer, is that the typical transfer going on since this is established?

Brandenburg: The whole Range Land Protection Fund has a number of different projects coming out of it concerning noxious weeds and the minor use fund and also there is a pesticide fund there too. The last biennium I know there was over half million dollars used, so this fund can be justified and is needed.

Chairman Rennerfeldt: I have many hours of my life involved in setting up that fund.

Brandenburg: I want to thank you for setting up that fund.

Chairman Rennerfeldt: Does the committee have any questions?

Jeff Olson - Program Manager from Planned Industry Division, Department of Agriculture: I administer the Minor Use Fund. I am here to testify in support of HB 1467. (See written testimony).

Vice Chair Nelson: Can you give me an example of how the Minor Use Fund has been used for major crops and major uses?

Olson: There has been some projects approved for work on wheat, for instance. Wheat is considered a major crop. Previous to last session, any projects dealing with wheat, soybeans or corn would not have been available through this fund. Wheat has been the major one. Downy Mildew on Durum Wheat, etc. The major crop issues are starting to pick up a little bit. Different pesticides, or non pesticides, bio control.

Vice Chair Nelson: Sunflowers does meet the definition of minor use. I am a little concerned when we start funding Durum research out of this fund. I remember when this fund started it was to assist minor crops that have limited acres that need the assistance to bring them into more prominence. Can you respond to why Durum couldn't get their funding from the Wheat Commission or Durum Growers?

Olson: Because of legislation, the definition was changed last session to include other uses. The Attorney General's office came back and said other uses pertains to the addition of major crops and major uses that would qualify for money coming out of this fund. We haven't had a lot of inquiry for major crops, there may be some down the road. Durum wheat was the first one because of that change in that definition. I am expecting other ones. The Pesticide Control Board does have the authority to approve or deny based on money availability or the benefit of funding that research.

Chairman Rennerfeldt: Any further committee questions?

Gary Knutson - Executive Director of ND Agriculture Association: We have been long term advocates of the Minor Use Fund. Our organization supports this use whole heartedly as it is a revenue generator. We are putting dollars back into the economy. I think as we look at the issue

Rep. Nelson raised, the title is Minor Use and we are thinking minor acreage crops. What about a situation where we have a major crop and a minor pesticide problem. That might be a minor use for a company and they would not do research. That is where this funding mechanism would fit in.

Chairman Rennerfeldt: Any questions from the committee?

Kent McKay - NDSU Agronomist: I am here to testify in full support of HB 1467. I have seen first hand the benefits of the goals of this Minor Use Fund. We are gaining a lot of momentum. I can't stress enough to fully support this funding, as it is needed. We have seen the number of acres of specialty crops gaining a lot of acres. The diversification we have seen in ND has been very exciting. This fund is unique and we are bringing groups together and striving goals to gain new products for these minor use crops.

Vice Chair Nelson: Much of the research that has been done, has it been done at your research station in Minot?

McKay: Yes, research has been done in Minot, studies in Carrington, Fargo, basically wherever the grants are made. It is fairly diverse.

Vice Chair Nelson: If I could continue, in addition to the research you are doing on major crops, in getting involved with more and more research to develop new crops for the state of ND as well as the seed increase that you are providing, I would guess that would caused some problems with enough land to continue this?

McKay: Yes, that is a problem. We got a unique situation in Minot where we increased staff and we are doing a lot of research where our seed production is getting very limited and we are looking at trying to purchase some land. We are excited about the increase of diversification and we are seeing that occur.

Chairman Rennerfeldt: Any further questions of the committee?

Larry Kleingartner - Executive Director of the National Sunflower Association: We are in full support of HB 1467. (see written testimony).

Chairman Rennerfeldt: Any questions of the committee?

Paul Thomas - Northern Canola Growers: We support HB 1467 which provides continued funding for minor use pesticide fund. This fund has provided important funding for minor use crops. With the implementation of the Food Quality Protection Act we will continue to see the number of available tools increasing in the years to come, it is essential that this program is funded to help research. I urge a Do Pass on HB 1467.

Chairman Rennerfeldt: Any questions of the committee? Anyone else in favor of this bill, anyone opposed? I will close the hearing on HB 1467.

COMMITTEE WORK

Rep. Keiser: Chairman I move a Do Pass.

Rep. Droydal: I second that with a re-referral to appropriations.

(some discussion)

Chairman Rennerfeldt: Any further discussion on this bill?

Vice Chair Nelson: I understand this is new to this committee, but the Minor Use Fund is a good program, it began in 1997 and refunded in 1999. None of the money is general fund money, it is all just special funds from registration fees of pesticide companies. There is no questions that those crops that are becoming more and more prevalent in this state and its important we continue this.

Rep. Droydal: We need research and they are doing good work to improve crop yields.

Chairman Rennerfeldt: Call the roll for a Do Pass on HB 1467.

Page 6
House Natural Resources Committee
Bill/Resolution Number HB 1467
Hearing Date February 1, 2001

MOTION FOR A DO PASS

YES, 15 NO, 0

MOTION CARRIES

CARRIED BY NELSON

Date: 02/01/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1467

House Natural Resources Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken DO Pass

Motion Made By Rep. Keiser Seconded By Rep. Drovdal

Representatives	Yes	No	Representatives	Yes	No
Earl Rennerfeldt - Chairman	✓		Lyle Hanson	✓	
Jon O. Nelson - Vice Chairman	✓		Scot Kelsh	✓	
Curtis E. Brekke	✓		Lonnie B. Winrich	✓	
Duane DeKrey	✓		Dorvan Solberg	✓	
David Drovdal	✓				
Pat Galvin	✓				
George Keiser	✓				
Frank Klein	✓				
Darrell D. Nottestad	✓				
Todd Porter	✓				
Dave Weiler	✓				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep. Nelson

If the vote is on an amendment, briefly indicate intent:

re-referred to Appropriations

REPORT OF STANDING COMMITTEE (410)
February 2, 2001 7:53 a.m.

Module No: HR-19-2177
Carrier: Nelson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1467: Natural Resources Committee (Rep. Rennerfeldt, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (15 YEAS, 0 NAYS, ABSENT AND NOT VOTING). HB 1467 was rereferred to the Appropriations Committee.

2001 HOUSE APPROPRIATIONS

HB 1467

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1467

House Appropriations Committee
Education and Environment Division

Conference Committee

Hearing Date February 08, 2001

Tape Number	Side A	Side B	Meter #
1 of 1	Starting at 5125	X	2,180
Committee Clerk Signature <i>Judith Debeck</i>			

Minutes:

Representatives Aarsvold, Boehm, Gullerson, Martinson, Monson, Wald, Wentz.

Representative John Nelson: District 7. I want to point out that money comes from Environmental Range Land Protection Fund. Which is comprised of registration fee that the Ag pesticides companies pay for the right to do business in this state. It is not a general Fund appropriation. This helps new and emerging crops that don't have registration labels for their products.

Representative Monson: Are these mostly section 18 types of chemicals.

Rep. John Nelson: Yes, and there are also some IR4s. There will be some applying for full labels.

Representative Aarsvold: Have you reviewed the Legislative purpose for the range land, and the Environmental Protection Fund? The EARP fund? Why was it established?

Rep. John Nelson: No I have not. This is obviously only part of what the EARP funds provide for the noxious weed program. If you feel there are programs that are more important they should be brought forward.

Representative Aarsvold: (5950) I was involved when the EARP Fund was established and it was a result of a lot of negotiation between several chemical companies, and ag suppliers across the state of ND. Seems to me when we take a look at taking money from that fund for the minor use pesticide fund which I do think is important. We would be impacting some chemical companies by broadening the label. Some products are effective for less money that are not fully labeled. Companies often have alternative products that would address the same pest problem. Which probably more expensive to apply. Seems to me we are taking there money from the EARP Fund, the registration money and using it to disadvantage their bottom line profit.

Rep. John Nelson: There is a lot that goes into a company applying for a label. The economic impact and balance to the industry and to the producers are certainly a piece of the puzzle. I think more importantly, what that added crop or label does in the risk of analysis. There is a delicate balance that needs to be considered when another crop is added to a label. From the UPA stand point they don't go into that with their eyes closed. It impacts the entire registration process for that product.

Representative Aarsvold: There are products out there that are one third the cost. We should probably renegotiating for this EARP Fund situation.

Rep. John Nelson: I don't know of one case where the minor use fund has been used for price harmonization. I am aware of that situation. Reclaim is not labeled in this state, and I don't think there have been any studies done to apply for a label for it.

Representative Wald: On page 19, see attached. You will be showing a negative balance of 133,213 dollars at the end of the Biennium. I don't know where we are going to find you enough money in the Range Land Protection Fund to fund the half a million dollars. It just isn't going to be there.

Rep John Nelson: In the current biennium there was a transfer from the previous biennium of 314,000 dollars added to the 285,000 dollars. In the 1997 biennium The money that was appropriated was not totally used, so that was transferred into the 1999-2001 biennium.

Representative Mike Brandenburg: (435) District 26. If you look at the fees that were charged for registration on a chemical is 300.00. It was raised to 350.00 which would raise it another 400,000. That could possibly deal with finding the money to fill this budget. It could work into this biennium.

Representative Wentz: Is that continuation of increased fees in a bill some where or an amendment?

Rep Mike Brandenburg: I would be more than happy to offer an amendment to do that.

Representative Wald: I note again in this document that last year the appropriation the noxious weed control was 1,068,881, this year it is going up to 1,404,602. Would it be possible to take some of that increase and move it over into the minor use registration program you are talking about. As a farmer could we move some of those funds around to fund the half a million you are asking for? Somewhat robbing peter to pay paul.

Rep Mike Brandenburg: It is very possible. There has been an additional 300,000 some dollars added into noxious weed fund. Also Safe Send and a pesticide fund that had a increase too. There is a possibility of more money being there. I have made some suggestions to different

people and every time I do, seems some one doesn't like my suggestion but I have some ideas too. Everyone has a concern for each one of those.

Representative Dennis Johnson: I think it is very important we keep this going how ever we have to arrive at the numbers. The project itself has been an excellent tool for the minor crops we do raise. We appreciate your consideration

Representative Gulleason: Did the request for the increase come from the producers or where?

Rep Dennis Johnson: The original bill came about two sessions ago to have money available to fast track some of these chemicals and pesticides for these minor crops.

Jeff Olson: Program Manager Plant Industries ND Department of Agriculture. See attached.

Representative Gulleason: The question Rep. Aarsvold had asked, if you see a conflict of funds basically are provided through the chemical companies in an effort to compete with their other products.

Jeff Olson: The products that are basically under research right now or the purposes of the products generally don't have a pesticide availability. Most of the research that is done there isn't any competing products on the market. If you look at the chart most of the requests that we have we do get a cost share from the chemical industry to help us do the research. It actually subsidizes in getting the science information they need to submit to EPA toward full registration.

Representative Wald: I am concerned with the numbers. On page two of your testimony you say the pesticide control board wants to transfer half a million dollars with in the range land protection. As I look at the document there is going to be a 366,000 ending fund balance at the end of the 2003 biennium which makes it a little short. Should we let you juggle these numbers around with in the items of the Range Land Protection Fund, or would you rather we state what funds to juggle?

Page 5
Education and Environment Division
Bill/Resolution Number HB1467
Hearing Date February 08, 2001

Jeff Olson: I don't want that responsibility. You tell me where you want me to spend it. Yes, your job is to tell us what to do.

Representative Boehm: Why wasn't some of this addressed in the ag budget which we just approved.

Jeff Olson: I wasn't involved in the hearings of the budget.

OMB: The money pesticide fund when that was set up it was a continuing appropriation for the ag department. The past two biennium's they had gotten transferred from the Environmental Range Protection Fund 285,000. In the ag department this time there was some money taken out of the EARP Fund.

Representative Wentz: Does anyone else wish to appear in opposition of HB1467? Seeing none we will close the hearing on HB1467.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1467

House Appropriations Committee
Education and Environment Subcommittee

Conference Committee

Hearing Date February 8, 2001

Tape Number	Side A	Side B	Meter #
02-08-01 tape #2	1126 - 1586		
Committee Clerk Signature <i>[Handwritten Signature]</i>			

Minutes:

The committee was called to order, and opened committee work on HB 1467, the transfer of funds for pesticide.

Chairman Wentz: We heard when we passed the Agriculture Commissioner's budget that the sunset clause, on the fee increase, was removed. And so, the fund will have enough money, and we should not need to borrow from any other fund.

Rep. Wald: The analysis of the fund in the yellow booklet would be augmented or enhanced by not removing the sunset by the revenue stream.

LC or OMB staff: The AG department had projected an additional \$400,000 of revenue that were projecting that would go into that fund if the fees stayed as they are currently.

Rep. Monson: Does the AG department have plans to spend this money for something else, or is this just going into the pool of money, and they would condone?

Page 2

Government Operations Division

Bill/Resolution Number HB 1467

Hearing Date February 8, 2001

LC or OMB staff: I understand that that would be Ag department related to the Minor Use Pesticide Fund and all their money coming out of the ERP Fund is appropriated so this additional revenue transferred to the Minor Use Pesticide Fund would be used for that. If they had more revenue than what is projected it would just be sitting in the ERP Fund.

Rep. Wald: Moves DO PASS, seconded by Rep. Boehm. Motion withdrawn.

Rep. Wald: Maybe we should add an amendment to say "or so much as may become available". So we are not stuck with the \$500,000 if the revenue doesn't come in.

Rep. Wald: moves to amend, seconded by Rep. Monson.

Vote to adopt amendment : 7 yes, 0 no. Motion carries.

Rep. Monson: Moves DO PASS AS AMENDED. Seconded by Rep. Wald.

Rep. Aarsvold: As you are aware I had some concerns about this bill, and the Ag department budget associated with this issue. The Ag Association that represents suppliers of the state are in favor of these initiatives, and therefore I will support this bill.

Vote on Do Pass as Amended : 7 yes, 0 no. Motion carries.

Rep. Monson is assigned to carry this bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB1467**

House Appropriations Committee

Conference Committee

Hearing Date **February 9, 2001**

Tape Number	Side A	Side B	Meter #
2	x		1778 - 2976
Committee Clerk Signature		<i>L. Z. Donker</i>	

Minutes:

HOUSE APPROPRIATIONS COMMITTEE ACTION ON HB1467.

Rep. Monson: This bill is the same sort of a thing as HB1310, we are telling the EARP fund that we would like to get this money for environment and range land protection, and to take it out of that fund and to use it for minor use pesticides during the biennium, and the amendment that you have here is simply to add to the original bill or so much of the sum as may be available, so that if there is not a total of \$500,000 would be used for this purpose.

Rep. Warner: Can Rep. Monson explain the providence of these two funds? Where does the money within the funds originate and where is it intended to be used for?

Rep. Monson: As I understand it these funds are generated by fees paid by the chemical companies, they were set to sunset so that there were no fees going to go into there, and the sunset has been removed and now the chemical companies will continue to paid the fees and there will be money in there, and there is some carry over in there, so again, nobody opposed this

, and this fund will be generated and they are all out of special funds. I would move the amendment to HB1467. Seconded by Rep. Kempenich.

Rep. Kerzman: Can you discuss the minor use pesticides, can you elaborate on that a little bit?

Rep. Monson: The people that were here yesterday testifying, indicated there are Section 18 chemicals for such things a canola, and various minor use crops that need to be developed and that is the purpose of what this bill is. A discussion ensued by Rep. Aarsvold, Rep. Koppleman, Rep. Skarphol, Rep. Delzer Rep. Wald on the different types of pesticides that the bill covered and how this bill would be used in the development of minor use crops.

Rep. Timm: All those in favor of adopting the amendment say AYE. Voice vote. Amendment was adopted.

Rep. Monson: Without further ado, I would move a DO PASS as amended. Seconded by Rep. Wald.

Rep. Timm: Roll call vote on HB1467 a DO PASS as amended. (21) YES (0) NO. Motion passes. Rep. Monson will carry the bill to the floor.

End committee action on HB1467.

10694.0101
Title.

Prepared by the Legislative Council staff for
House Appropriations
February 8, 2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1467

Page 1, line 5, after "\$500,000" insert ", or so much of the sum as may be available,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This bill provides for a transfer of up to \$500,000 to the minor use pesticide fund, depending on the availability of funds in the environment and rangeland protection fund.

Date: 2/1/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Appropriations Education and Environment Division

11/11/01

House Appropriations Committee

Subcommittee on Education & Environment

or
 Conference Committee

Legislative Council Amendment Number 106514-0101

Action Taken to accept amendment

Motion Made By Rep. Wald Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Rep. Janet Wentz -Chairman	✓				
Rep. James Boehm - Vice Chairman	✓				
Rep. Ole Aarsvold	✓				
Rep. Pam Gulleeson	✓				
Rep. Bob Martinson	✓				
Rep. David Monson	✓				
Rep. Francis J. Wald	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Amend. to state "as soon as may be practicable"

Date: 7/28/01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Appropriations Education and Environment Division

House Appropriations Committee

Subcommittee on Education and Environment
or
 Conference Committee

Legislative Council Amendment Number 1.550/2.1.1

Action Taken In PM - 1.550/2.1.1

Motion Made By Rep. Monson Seconded By Rep. Wald

Representatives	Yes	No	Representatives	Yes	No
Rep. Janet Wentz -Chairman	✓				
Rep. James Boehm - Vice Chairman	✓				
Rep. Ole Aarsvold	✓				
Rep. Pam Gulleon	✓				
Rep. Bob Martinson	✓				
Rep. David Monson	✓				
Rep. Francis J. Wald	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Rep. Monson

If the vote is on an amendment, briefly indicate intent:

Date: 2/9/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1467

House APPROPRIATIONS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By MONSON Seconded By WALD

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold	✓		Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleason	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 21 No 0

Absent 0

Floor Assignment MONSON

If the vote is on an amendment, briefly indicate intent:

2001 SENATE AGRICULTURE

HB 1467

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1467

Senate Agriculture Committee

Conference Committee

Hearing Date March 1, 2001

Tape Number	Side A	Side B	Meter #
March 1 1	X		22.6 - End
March 22 2	X		12
Committee Clerk Signature			

Minutes:

REP. NELSON; Sponsor, introduced the bill to the committee. This program has work as intended, we hope that this program will continue.

REP. BRANDENBURG; Sponsor, testified in support of this bill.

JEFF OLSON; North Dakota Department of Agriculture, testified in support of this bill. See attached testimony.

GARY KNUTSON; North Dakota Agriculture Assoc., testified in support of this bill. This program generates new wealth and brings new products into production in North Dakota. We have a good history of success with the program.

SENATOR WANZEK; We are appropriating \$500,000 or so much the sum as may be available.

Does that mean that it limits you to \$500,000?

GARY KNUTSON; \$500,000 is the maximum.

Page 2
Senate Agriculture Committee
Bill/Resolution Number HB 1467
Hearing Date March 1, 2001

LANCE HAGEN; North Dakota Grain Growers, testified in support of this bill. We do have some concerns with this bill. We would like to see an expansion of the pesticide control board, so that there is a producer on it.

MERLIN LEITHOLD; North Dakota Weed Control Assoc., testified in the neutral position on this bill. See attached testimony.

The hearing was closed.

March 22, 2001

Discussion was held.

SENATOR KLEIN moved for a DO PASS and rerefer to Appropriations Committee.

SENATOR NICHOLS seconded the motion.

Roll call vote: 6 Yeas, 0 No, 0 Absent and Not voting.

SENATOR KLEIN will carry the bill.

REPORT OF STANDING COMMITTEE (410)
March 22, 2001 1:34 p.m.

Module No: SR-50-6421
Carrier: Klein
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1467, as engrossed: Agriculture Committee (Sen. Wanzek, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1467 was rereferred to the Appropriations Committee.

2001 SENATE APPROPRIATIONS

HB 1467

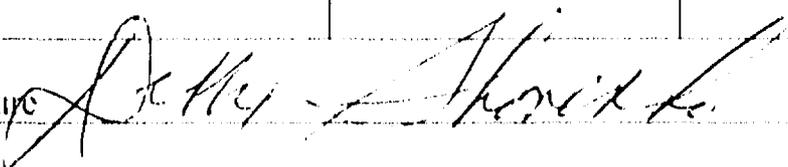
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1467

Senate Appropriations Committee

Conference Committee

Hearing Date March 30, 2001

Tape Number	Side A	Side B	Meter #
1		X	4,3-9,1
Committee Clerk Signature 			

Minutes:

Senator Solberg opened the hearing on HB 1467.

Jeff Olson, Program Manager for the Plant Industries Area in the Department of Agriculture and the administrator of the Minor Use Fund for the Pesticide Control Board, testified on the bill (testimony attached).

Representative Mike Brandenburg: testified as a sponsor of the bill and give his support.

Larry Kleingartner, Executive Director of National Sunflower Association, testified in support of the transfer of the dollars in the bill. We are a substantial user of the money used in the last several years. It has been an excellent program, efficiently run and helped sunflower get a number of products in place in a short period of time. Asked for the committee's support.

With no further testimony, the hearing was closed.

Senator Solberg: This bill was referred to the Senate Ag Subcommittee.

Tape #1, Side B, meter 9.1.

Page 2
Senate Appropriations Committee
Bill/Resolution Number HB1467
Hearing Date March 30, 2001

4-2-01 Full Committee Action (Tape #2, Side B, Meter # 27.6- 30.0)

Senator Nething reopened the hearing on HB1467 - Transfer of funds from Environment and
Range Land Protection Fund to the Minor Use Pesticide Fund.

Senator Bowman, Subcommittee Chair, led the discussion on the bill, testimony and the
Subcommittee findings. It is the recommendation of the Subcommittee that it be passed as
submitted to this Committee.

Senator Bowman moved a DO PASS; Senator Tomac seconded. Discussion. Call for the vote:

Roll Call Vote: 14 yes; 0 no; 0 absent and not voting.

Date: 9/20/01

Roll Call Vote #: _____

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1497

Senate Appropriations Committee

Subcommittee on _____
or

Conference Committee

Legislative Council Amendment Number _____

Action Taken As per

Motion Made By Senator Sumner Seconded By Senator Tomac

Senators	Yes	No	Senators	Yes	No
Dave Nothing, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindans	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 14 No 0

Absent 0

Floor Assignment Senator Klein

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
April 2, 2001 12:45 p.m.

Module No: SR-57-7449
Carrier: Klein
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1467, as engrossed: Appropriations Committee (Sen. Nething, Chairman)
recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1467 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1467

COMMISSIONER OF AGRICULTURE
ROGER JOHNSON



PHONE (701) 328-2221
(800) 242-7535
FAX (701) 328-4567

DEPARTMENT OF AGRICULTURE
State of North Dakota
600 E. Boulevard Ave. Dept. 602
Bismarck, ND 58505-0020

**NORTH DAKOTA DEPARTMENT OF AGRICULTURE
LEGISLATIVE TESTIMONY**

Testimony of Jeff Olson, Program Manager
Plant Industries
North Dakota Department of Agriculture
House Bill 1467
February 1, 2001
9:15 a.m.
House Natural Resources Committee
Pioneer Room

Chairman Rennerfeldt and members of the committee, my name is Jeff Olson. I am the Program Manager for the Plant Industries Area in the Department of Agriculture and the administrator of the Minor Use Fund for the Pesticide Control Board. I am here to testify in support of HB 1467.

The Minor Use Fund was developed by the Fifty-fifth Legislative Assembly for the purpose of expediting the registration process for crop protection products for minor crops. The Minor Use Fund was initially funded by a \$350,000 transfer from the Environmental and Rangeland Protection (EARP) Fund in the legislative session. Grant expenditures from the Minor Use Fund during the 1997-1998 biennium amounted to

\$34,775. The Fifty-sixth Legislative Assembly authorized a carry-over of \$314,724 into the 1999-2000 biennium and transferred \$285,000 from the EARP Fund creating a balance of \$599,724. During that session, legislation to change the definition of the Minor Use Fund to include studies for major crops and major uses was also approved. During the 1999-2000 biennium, \$547,106 has either been expended or is committed to on-going research projects. A balance of \$52,618 (see attachment) remains and is expected to be expended by the end of the present biennium. In addition, the Pesticide Control Board has approved first year grant expenditures of \$106,953 on multi-year projects. The remaining anticipated grants, if approved would amount to \$72,803 in the 2001-2003 biennium. These expenditures would need to come from the \$500,000 transfer provided by this bill.

Participants of the program include twelve projects from NDSU research personnel and five projects from private enterprises. The attached chart shows the breakdown of the projects and their progress toward EPA registration. The program has created enormous interest and response during the present biennium. Because of this interest, the Pesticide Control Board voted to request a \$500,000 transfer from the EARP Fund to the Minor Use Fund for research purposes.

Chairman Rennerfeldt and Committee members, I urge a do pass on HB 1467. I would be happy to answer any questions you may have.

Pesticide Control Board - Minor Use Fund History

	1997-1999	1999-2001	2001-2003
Carryover	n/a	\$314,723.91	
Legislative Transfer from EARP fund	\$350,000.00	\$285,000.00	
Beginning Balance	\$350,000.00	\$599,723.91	
Grant Expenditures	\$34,775.37	\$245,810.19	
Outstanding Grant Commitments		\$283,076.04	
Operating Expense	\$500.72	\$3,220.00	
Other expenditures*		\$15,000.00	
BALANCE	\$314,723.91	\$52,617.68	

* Appropriation to the Legislative Council from the Fifty-sixth Legislative session

Minor Use Project Proposal History

Researcher	Approved	Crop	Pest	Chemical	Product	Chemical Company	Type of Study	Grant To	Minor Use Fund	Commodity Group	Chemical Company	IR-4 Status	Comments
1997-1998 Biennium													
Zotinger	07-Apr-98	Sunflower		Sulfentrazone	Authority (Spartan)	FMC	Residue trials	Natl Sun Assn	\$75,700	\$18,000	\$150,000	C.	Project will allow registration at least one year earlier than waiting for PUC or IR-4
Mckay, Lamey	07-Apr-98	Canola	Sclerotinia		Benlate & Quadris	Zeneca Agro	Efficacy	NDSU - Minot	\$15,000		\$5,000		Section 3 Registration for Quadris
Endres, Gardner	07-Apr-98	Borage & Camelina					Efficacy of products tested in Canada and U.K.	NDSU - Carrington	\$8,000				IR-4 project scheduled for 1999
	Denied Apr98	Sugarbeets	SBRM	Various insectides			Basic screening						
	Denied Apr98	Sunflower					Efficacy for various products						
	Denied Apr98	Glufosinate tolerant Canola					Influence of timing, row spacing and plant population on weed control						Not the intent of minor use fund. Work will be done by registrant regardless.
	Denied Apr98	Chickpeas & Lentils					Screening of 15 herbicides (tolerance & efficacy)						No products identified as efficacious. Screening outside scope of minor use fund.
	Denied Apr98	Crambe					Screening of 15 herbicides (tolerance & efficacy)						No products identified as efficacious. Screening outside scope of minor use fund.

Minor Use Project Proposal History

18/01

Researcher	Approved	Crop	Pest	Chemical	Product	Chemical Company	Type of Study	Grant To	Minor Use Fund	Commodity Group	Chemical Company	IR-4 Status	Comments
1999-2000 Biennium													
Zollinger	21-Apr-99	Sunflower			Valor		Residue	Natl Sun Assn	\$62,000	\$18,000	\$150,000		Cancelled due to unacceptable crop damage
Jenks, McKay, Raveland, Endres	21-Apr-99	Dry peas, lentils, chickpeas		Sulfentrazone	Spartan		Tolerance and Efficacy	NDSU-Minot	\$15,750	\$0	\$0	IR-4 in 2000-2001	
Richard Zollinger	31-Aug-99		ND Weed Survey				State-Wide Weed Distribution	NDSU-Fargo	\$75,000	\$0	\$0	NA	
Bran Jenks	11-Apr-00	Dry peas, lentils, chickpeas		Sulfentrazone	Spartan		Tolerance and Efficacy	NDSU-Minot	\$19,700	\$3,000	\$0	IR-4 in 2000-2001	
Larry Klengartner, Tom Gulya	11-Apr-00	Sunflowers	Downey Mildew	Zoxamide			Efficacy	USDA/Sunflower Assoc	\$ 63,500	\$ 59,000	\$ 150,000	IR-4 Protocol	On going
Larry Klengartner	11-Apr-00	Sunflowers		IMI Herbicide	Clearfield			Sunflower Association	\$ 60,400	\$ 40,000	\$ 295,000	IR-4 Protocol	On going
Dakota Pasta Growers	03-May-00	Durum Wheat	Fusarium Head Blight	Biological			Efficacy	Dakota Growers Pasta Co.	\$ 13,950	\$ 20,000	\$ 44,000	NA	On going
Bran Jenks	03-May-00	Chickpeas		Isoxaflutole		Aventis	Tolerance and Efficacy	NDSU-Minot	\$ 7,075	\$ -	\$ -		On going
Green to Gold Corp	03-May-00	Various	Fungus Diseases	Chlorine Dioxide	Zydox	Green to Gold	Efficacy	Green to Gold Corp.	\$ 18,000	\$ -	\$ 16,000	NA	On going
APHIS	03-May-00	Sunflowers	Black Birds	DRC-1339		APHIS	Toxicity	NSA, Wildlife Services	\$ 30,000	\$ 13,000	\$ 15,000	NA	On going Has a 24c registration
Bran Jenks	03-May-00	Flax, dry bean, crambe		Sulfentrazone	Spartan		Tolerance, Efficacy	NDSU-Minot	\$ 19,240	\$ -	\$ -		On going
Northern Crops Institute	Denied						Harmonization						IR-4 opinion stated Minor Use funds used for Research and not for non-research activities
Phil Glogoza	13-Nov-00	State-Wide Survey					Pesticide Use and Mgmt Practices	NDSU-Fargo	\$ 37,318	\$ -	\$ -		On going
Wildlife Services	13-Nov-00	Sunflowers	Black Birds	DRC-1339		APHIS	Efficacy	NSA, Wildlife Services	\$ 83,250	\$ 10,000	\$ 194,800	NA	On going Has a 24c registration
Denise Olson	28-Nov-00	Canola	Crucifer Flea Beetle	Biological			Efficacy	NDSU-Fargo, Northern Canola Association	\$ 23,703	\$ -	\$ -	NA	Start of 2001 season



4073 State Street
Bismarck, ND 58103-0660 USA
Phone: 701-328-5100
Fax: 701-328-5101
www.sunflowerusa.com

February 1, 2001

TO: Members of the House Natural Resources Committee

FROM: Larry Kleingartner, National Sunflower Association

RE: House Bill 1467

The National Sunflower Association (NSA) is in full support of HB 1467. This bill provides for grants to assist in the registration of pesticide products for crops that might be too small to gain the support of a chemical company. The legislation is referred to those of us in agriculture as the 'Minor Use' program.

Although there are over three million acres of sunflower nationally, most pesticide registrations are for crops with much larger acreages. Sunflower producers have few herbicides available. Through the work of Dr. Richard Zollinger of NDSU in 1997, Spartan herbicide was identified to have excellent broadleaf weed control in sunflower. However, the manufacturer, FMC, was not interested in registering the product until about 2005. However, sunflower growers needed the herbicide as soon as possible. Because of the Minor Use legislation, we were able to convince FMC to pursue a much shorter registration time line. The commitment of minor use funds to assist in the registration was the key component. Residue trials for the herbicide were conducted in the 1998 season under national registration guidelines. NDSU personnel directed the trials. FMC then did the laboratory analysis at their cost. With that in place, EPA granted a special Section 18 label for product use in the 1999 season.

This occurred with the expenditure of about \$25,000 from the Minor Use Fund. Farmers gained an important production tool six years earlier than what had been planned. It was a team approach between NDSU, NSA, the State of ND and FMC, the product registrant. The NSA urges the Committee to approve HB 1467.



Testimony of Paul Thomas
Northern Canola Growers Association
House Bill 1467
House Natural Resources Committee
Pioneer Room
February 1, 2001

Chairman Rennerfeldt, members of the committee, my name is Paul Thomas of the Northern Canola Growers Association. I am here to offer support for HB 1467, which seeks to provide continued funding for the minor use pesticide fund in North Dakota.

The fund has provided many commodity groups in the state with important financial contributions to complete residue trials and implement other research projects that expedite the registration of key crop protection products or assist in developing integrated pest management solutions for minor use crops in the state. Given the fact that the Food Quality Protection Act will reduce the number of available tools for growers of many minor crops for years to come, it is essential that this program be funded for the next biennium.

Chairman Rennerfeldt and committee members, I urge a do pass on HB 1467. I would be happy to answer any questions you may have.

COMMISSIONER OF AGRICULTURE
ROGER JOHNSON



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(800) 242-7535
FAX (701) 328-4567

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**NORTH DAKOTA DEPARTMENT OF AGRICULTURE
LEGISLATIVE TESTIMONY**

Testimony of Jeff Olson, Program Manager
Plant Industries
North Dakota Department of Agriculture
House Bill 1467
March 1, 2001
10:00 a.m.
Senate Agriculture Committee
Roosevelt Room

Chairman Wanzek and members of the committee, my name is Jeff Olson. I am the Program Manager for the Plant Industries Area in the Department of Agriculture and the administrator of the Minor Use Fund for the Pesticide Control Board. I am here to testify in support of HB 1467.

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Outstanding Grant Commitments		\$283,076.04
Operating Expense	\$500.72	\$1,989.00
Other expenditures		\$15,000.00
BALANCE	\$314,723.91	\$53,848.68

Current Biennium 1999-01

Beginning Balance	\$599,723.91
Grant Expenditures	\$245,810.19
Outstanding Grant Commitments	\$283,076.04
Legislative Council	\$15,000.00
Operating (Dec 00)	\$1,989.00
Total Unobligated	\$53,848.68

Chemicals labeled in Canada but no similar product registered in the U.S.

Canadian Product	Crop	Section 18 Status	EPA Response (April 6, 1999)	Company
1 Assure II	Sunflower	nc	nc	
2 Benlate	Canola	Denied 97	Seed trmt registered in the US; no US tolerance; IR-4 petition received but not scheduled for review due to major risk concerns.	Dupont
3 Dual	Sugarbeets	Not big enough use	nc	
4				
5			Section 3 granted in 2000 with a 24C planting interval; under the name Discover	
6 Lindane	Canola		Registration withdrawn; Canada discontinues use 12/31/01	
7				
8		Granted 99, 00, 01	Targeted for section 3 in 2001 use season	Dupont
9 Preharvest Roundup	Dry Beans	No Submission because the processors doesn't want it	Import tolerance expected in the next few weeks; registrant decided not to register in US	Monsanto
10				
11		Granted 99, 00, 01	nc	American Cyanamid
12 Raptor	Peas	Submitted 99	nc	American Cyanamid
13		Granted 99	Section 3 granted in 2000	BASF
14 Ronilan	Dry Beans		Risk concerns	BASF
15		Section 3 granted 99, submitted 01	Tolerance established in 2000 03/30/96	AgroSciences
16	Canola	Granted 99, 00; submitted 01	nc	Dow AgroSciences
17 Tough	Chickpeas	nc	Tolerance Published 10-98; Possible 24C	
18 Warrior	Canola	Granted 98,99	Section 18 granted for ND expires 12/31/00	Zeneca

Note: The shaded areas indicate the pesticide products that are now available for ND growers either by section 3, section 18, or section 24C.

**North Dakota
Priority List 3 Chemicals not labeled in the U.S. or Canada**

	Product	Company	Crop	Section 18 Status	EPA Response (April 6, 1999)
1					
2				Granted 99,00-01	EPA Review 2001
3	Spartan	FMC	Peas, Lentils, Chickpeas	nc	nc
4					
5					
6					
7	Roundup, Postharvest?	Monsanto		nc	nc
8	Non Group 1 (ACC-ASE)		Durum	nc	nc
9			Canada		Section 18 2001

Note: The shaded areas indicate the pesticide products that are now available for ND growers either by section 3, section 18, or section 24C.

nc = no comment

ENVIRONMENT AND RANGELAND PROTECTION FUND
PROJECTIONS

	1999-2001	2001-2003
Beginning Balance	\$ 701,250	\$ 825,852
Revenue	\$ 2,620,500	\$ 2,083,250
Total Funds	\$ 3,321,750	\$ 2,909,102
Expenditures		
Noxious Weeds	\$ 1,080,524	\$ 1,415,797
Safesend	\$ 573,907	\$ 599,369
Pesticide Programs	\$ 266,467	\$ 329,176
Minor Uses	\$ 285,000	\$ -
Chemical pads	\$ 90,000	\$ -
Groundwater	\$ 200,000	\$ 200,000
Total Expenditures	\$ 2,495,898	\$ 2,544,342
Ending Balance	\$ 825,852	\$ 364,760

HB1467	\$	500,000
HB 1328	\$	300,000

**NORTH DAKOTA WEED CONTROL ASSOCIATION
TESTIMONY BY MERLIN LEITHOLD
LOBBYIST # 515
HB 1467**

Good morning, Chairman Wanzek, and members of the Senate Ag. Committee. My name is Merlin Leithold. I am here today representing the ND Weed Control Association.

HB 1467 deals with funding for minor use from EARP.

The EARP was created in 1991. It was created to help noxious weed funding. Monies from the general fund were hard to get, so EARP was created. It was the brainchild of a group of weed people. To get EARP passed into law, other items were included in EARP, other than funding noxious weeds, to get it passed.

Besides weeds, there was ground water testing, analysis of food products for residue of chemicals, and disposal of unusable pesticides and pesticide containers.

Food product analysis was never funded, for what reason I do not know.

In 1997, minor use fund was created. It also came from EARP. We are not against minor use, as we can also benefit from that fund.

In the Ag Departments' budget, the wording of the EARP fund is trying to be changed.

It not only is making room for the crop harmonization committee, but making weeds and other groups already in EARP as secondary.

This session there is also a bill, which you will here at a later date, HB 1328. That bill is asking for \$300,000 from EARP.

This bill before you today, HB 1467, is asking for \$500,000 from EARP.

If this all continues, EARP will no longer be used for what it was intended. Without EARP, weeds would have a field day.

Thank-you

ANALYSIS OF THE ENVIRONMENT AND RANGELAND PROTECTION FUND 1999-2001 AND 2001-03 BIENNIUMS (REFLECTING THE 2001-03 BIENNIUM EXECUTIVE BUDGET RECOMMENDATIONS)

	<u>1999-2001 Biennium</u>	<u>2001-03 Biennium</u>
Beginning balance	\$701,250	\$825,352
Add estimated revenues	<u>2,620,000¹</u>	<u>2,083,250</u>
Total available	\$3,321,250	\$2,908,602
Less estimated expenditures		
Agriculture Commissioner - 1999 SB 2009, 2001 HB 1009)		
Noxious weed control	\$1,068,881	\$1,404,602
Pesticide disposal project (Safe Send)	573,907	596,842
Pesticide programs	266,467	314,620
Compensation package	11,643	25,751
Pesticide Control Board - 1999 SB 2009		
Minor use pesticide registration	285,000 ²	0
State Department of Health - 1999 HB 1004, 2001 SB 2004		
Ground water testing	200,000	200,000
Agricultural Experiment Station - 1999 HB 1021		
Chemical storage expenditures	<u>90,000</u>	<u>0</u>
Total estimated expenditures	<u>\$2,495,898</u>	<u>\$2,541,815</u>
Estimated ending balance	<u>\$825,352</u>	<u>\$366,787</u>

NOTE: The estimated June 30, 2001, balance made at the end of the 1999 legislative session was \$454,590. The increase is due to the July 1, 1999, balance being more than projected and revenues exceeding estimates made during the 1999 legislative session.

¹ The 1999 Legislative Assembly approved Senate Bill No. 2009, which includes a provision increasing the biennial pesticide registration fee by \$50, from \$300 to \$350 only for the 1999-2001 biennium. This increase was estimated by the 1999 Legislative Assembly to generate \$400,000, resulting in \$2.4 million total estimated revenues to be deposited in the environment and rangeland protection fund. The \$140,000 increase in estimated revenues is due to a higher number of products registered than previously anticipated.