FISCAL NOTE

Requested by Legislative Council 12/23/2016

Amendment to: SB 2028

1 A. **State fiscal effect:** Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

المراجات المارين المارين	pp. op. autorio di intro-patto di intro-							
	2015-2017 Biennium		2017-2019	Biennium	2019-2021 Biennium			
	General Fund Other Funds		General Fund Other Funds		General Fund Other Fund			
Revenues	\$0	\$0	\$0	\$0	\$0	\$0		
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0		
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0		

1 B. County, city, school district and township fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

2 A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

SB 2028 is part of the agriculture law rewrite process. The bill is submitted by Legislative Management on behalf of the Agriculture and Natural Resources Committee.

B. **Fiscal impact sections**: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

N/A

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

N/A

B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

N/A

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

N/A

Name: Junkert/Baumiller

Agency: Agriculture

Telephone: 328-4756/328-1960

Date Prepared: 12/27/2016

FISCAL NOTE Requested by Legislative Council 12/23/2016

Bill/Resolution No.: SB 2028

1 A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2015-2017 Biennium		2017-2019 E	Biennium	2019-2021 Biennium		
General Fund Other Funds		Other Funds	General Fund	Other Funds	General Fund	Other Funds	
Revenues	\$0	\$0	\$0	\$0	\$0	\$0	
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0	

1 B. County, city, school district and township fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

2 A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

SB 2028 is part of the agriculture law rewrite process. The bill is submitted by Legislative Management on behalf of the Agriculture and Natural Resources Committee.

B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

N/A

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

N/A

B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

N/A

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

N/A

Name: Junkert/Baumiller

Agency: Agriculture

Telephone: 328-4756/328-1960

Date Prepared: 12/27/2016

2017 SENATE AGRICULTURE

SB 2028

2017 SENATE STANDING COMMITTEE MINUTES

Agriculture Committee

Roosevelt Park Room, State Capitol

SB 2028 1/5/2017 Job # 26607

☐ Subcommittee☐ Conference Committee

Committee Clerk Signature Emmony brothers

Explanation or reason for introduction of bill/resolution:

Dairy, livestock auction, and commercial feed laws revision

Minutes:

Attachments: #1 - 2

Dustin Assel, Legislative Council: Introduced SB 2026 and explained the rewrite (See Attachment #1).

(3:30) Senator Larsen: Is the word "peddler" (line 15) updated to today's language?

Dustin Assel: It would be difficult to redefine the term without completely altering the nature of the chapter.

(5:50) **Jessie Pfaff, NDDA:** Testified in favor of SB 2028 (See Attachment #2).

(9:05) **Senator Piepkorn:** Can you tell me about the process you go through to find corrections?

Jessie Pfaff: Dr. Keller, the Veterinarian with the State Board of Animal Health went through and cross referenced all the language.

(10:00) Senator Klein: Are the cow shares becoming an issue with the department?

Shaun Quissel, Livestock Development Director, NDDA: Once an individual is on a cow share, we have no authority over them. There have been people on cow shares who have tried to make products other than raw milk and we have notified those people that they are acting unlawfully.

Senator Klein explained the history of cow sharing in order to stay in compliance with federal regulation.

Shaun Kossel: Correct. A person pays for a portion of the cow and in return gets a portion of the raw milk. The way the law is written, we are not allowed to propagate any rules.

Senator Klein: Has there been any bacteria borne illness since we've allowed cow shares?

Shaun Kossel: We haven't been notified of any illnesses.

Dr. Keller, Veterinarian with the State Board of Animal Health: From the state stand point, I'm not aware of anything serious. Other states have concerns about TB, E. Coli, etc. The benefit of the cow shares is that it allows some communication and discussion before parties enter into a cow share. I am concerned about potential illnesses from raw milk.

Senator Piepkorn: Other than concerns, have there been outbreaks or reports of illnesses?

Dr. Keller: There are cases in the US; I'm not aware of any in ND. You will have to speak with the Health Department.

Senator Piepkorn: Question for Mr. Quissel—how many cow shares can be sold on one animal?

Shaun Quissel: I don't have a number on record but I have been told there is an animal that has 27.

Senator Piepkorn: When the animal is butchered, is it distributed among the cow share holders?

Shaun Quissel: That does not happen; meat inspection regulations require the person to own a portion of the cow outside of the cow share, it has to be kept separate.

(17:30) **Senator Larsen:** I spoke with a constituent who identified meat form Canada was the origin of the TB rather than raw milk.

Dr. Keller: The states with outbreaks are still tracing the origin. Once the animal is infected, it is spread through all cow products: meat and milk. Pasteurizing milk protects the public from infection which is why milk was originally pasteurized.

Senator Klein: There have been no BSC (Bovine Spongiform Encephalopathy) cases in recent years, correct?

Dr. Keller: We have not had any BSC cases in recent years; we want that to continue to be the case.

Senator Klein: We have not heard of any cases in recent years because we have stayed on top of concerns rather than reacting to a problem.

Dr. Keller: Correct.

Chairman Luick: Closed the hearing on SB 2028.

Senator Myrdal: Moved to Adopt Amendment on SB 2028.

Senate Agriculture Committee SB 2028 1/5/2017 Page 3

Senator Larsen: Seconded the Motion.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent.

Motion Carried.

2017 SENATE STANDING COMMITTEE MINUTES

Agriculture Committee

Roosevelt Park Room, State Capitol

SB 2028 1/13/2017 Job # 26863

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Emment	Prothere
Explanation or reason for introduction of bill/	resolution:
Dairy, livestock auction, and commercial feed law	vs revision
Minutes:	
Chairman Luick: Opened the discussion on SB	2028.
Senator Klein: Moved Do Pass As Amended	
Senator Myrdal: Seconded the Motion.	

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent.

Senator Klein will carry the bill to the floor.

Motion Carried.

1/3/nDH

17.0211.01001 Title.02000

Adopted by the Agriculture Committee

January 13, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2028

Page 25, line 23, after "as" insert "may be"

Page 30, line 25, replace "36-04" with "4.1-83"

Page 32, line 25, replace "36-04-04" with "4.1-83-10"

Page 32, line 25, replace "36-04-10" with "4.1-83-15"

Renumber accordingly

Date:	1.5.17
Roll Call Vote #:	1

2017 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. _2028

Senate Agricult	ure				Com	mittee
		□ Su	bcomm	ittee		
Amendment LC# or	r Description:	0211.0	1001			
Recommendation:	☐ Adopt Amendr☐ Do Pass ☐ As Amended☐ Place on Cons☐ Reconsider	ment Do No	t Pass	☐ Without Committee F☐ Rerefer to Appropria		lation
Other Actions:	☐ Reconsider					
Motion Made By	Myrdal		Se	econded By <u>Larse</u>	n	
Sen	ators	Yes	No	Senators	Yes	No
Senator Luick		V		Senator Piepkorn		
Senator Myrdal		V				
Senator Klein		V				
Senator Larsen		V				
Senator Osland		/				
Total Yes	Le		No	0		
- Absent	0					
Floor Assignment						
the vote is on an a	amendment, briefly	indicate	intent:			

Date: 1/13/17
Roll Call Vote #:

2017 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 2028

Senate Agriculti	ıre				_ Committee
		☐ Sul	ocomm	ittee	
Amendment LC# or	Description:				
Recommendation: Other Actions:	☐ Adopt Amendn ☐ Do Pass ☐ ☐ As Amended ☐ Place on Cons ☐ Reconsider	Do Not		☐ Without Committee Rec☐ Rerefer to Appropriation	
Curor reduction					
Motion Made By	ien. Klein		Se	conded By Sen Myrda	
Sen	ators	Yes	, No	Senators	Yes No
Senator Luick		V		Senator Piepkorn	
Senator Myrdal		1			
Senator Klein		1/			
Senator Larsen		1/			
Senator Osland		1/			
Conator Colaria			-		
					+
					-
					-
					-
Total Yes _	6		No		
Absent	0				
Floor Assignment	Sen	Klei	A-		
If the vote is on an a	amendment, briefly	indicate	e intent:		

Module ID: s_stcomrep_08_003 Carrier: Klein

Insert LC: 17.0211.01001 Title: 02000

REPORT OF STANDING COMMITTEE

SB 2028: Agriculture Committee (Sen. Luick, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2028 was placed on the Sixth order on the calendar.

Page 25, line 23, after "as" insert "may be"

Page 30, line 25, replace "36-04" with "4.1-83"

Page 32, line 25, replace "36-04-04" with "4.1-83-10"

Page 32, line 25, replace "36-04-10" with "4.1-83-15"

Renumber accordingly

2017 HOUSE AGRICULTURE

SB 2028

2017 HOUSE STANDING COMMITTEE MINUTES

Agriculture Committee

Peace Garden Room, State Capitol

SB 2028 3/17/2017 Job #29401

☐ Subcommittee☐ Conference Committee

	Committee Clerk Signature Ze Mae	Kuch
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Explanation or reason for introduction of bill/resolution:

Revisions of laws regarding dairy products regulation, livestock auction markets, satellite video livestock auction markets, the purchase of livestock by packing plants, meat inspection, rendering plants, commercial feed laws, and livestock medicine; and to provide a penalty

Minutes: Attachments 1-3

Dustin Assel, Attorney with Legislative Council: (Attachment 1)

Proposed Amendment (Attachment 2) House Bill 1127 passed both Houses and amended four sections of Chapter 4-30 regarding dairy regulations. The contents of 4-30 are being moved into 4.1-25 which is in SB 2028. HB 1127 amended subsection 21 of 4-30-01 on the definition of pasteurized milk ordinance. It also amended 4-30-36.2 on the duties and guidelines of the State Milk Sanitation Rating and Sampling Surveillance Officer. It amended 4-30-36.3 on duties and guidelines of the Milk Laboratory Evaluations Officer. It amended 4-30-36.4 on Grade A pasteurized milk ordinance. The amendments to each section updates a reference from 2013 to 2015.

Jessie Pfaff, Senior Policy Analyst for North Dakota Department of Agriculture: (Attachment 3)

Representative Headland: Moved the amendment 17.0211.02001

Representative Hogan: Seconded the motion

Voice Vote taken. Motion passed.

House Agriculture Committee SB 2028 March 17, 2017 Page 2

Representative Satrom: Moved Do Pass as amended

Representative Hogan: Seconded the motion

A Roll Call vote was taken: Yes 12, No 0, Absent 2.

Do Pass as amended carries.

Representative Magrum will carry the bill.

3/17/17 PG

17.0211.02001 Title.03000 Prepared by the Legislative Council staff for House Agriculture Committee March 16, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2028

Page 4, line 12, replace "2013" with "2015"

Page 16, line 12, replace "2013" with "2015"

Page 16, line 19, replace "2013" with "2015"

Page 16, line 24, replace "2013" with "2015"

Renumber accordingly

Date: 3/17/2017

Roll	Call	Vote	#:	1

2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2028

House Agricultu	ıre			Comr	nittee
□ Subcommittee					
Amendment LC# or Descri	ription: #17.0211.02	2001			
□	Adopt Amendment Do Pass		☐ Without Committee Reco☐ Rerefer to Appropriations☐		ation
Motion Made By Rep.	Headland	Se	conded By <u>Rep. Hogan</u>		
Representati	ives Yes	No	Representatives	Yes	No
Chairman Dennis John	nson		Rep. Joshua Boschee		
Vice Chairman Wayne	e Trottier		Rep. Kathy Hogan		
Rep. Jake Blum			-		
Rep. Craig Headland					
Rep. Michael Howe					
Rep. Dwight Kiefert			/		
Rep. Jeffery Magrum	1/	* 0 /	· Mate		
Rep. Aaron McWilliam	ns // O	VCE			
Rep. Bill Oliver					
	,			1	
Rep. Bernie Satrom			1 D = = 0)	
Rep. Cynthia Schreibe	er Beck	109	tion Passed	-	
	er Beck	109	tion Passed	-	
Rep. Cynthia Schreibe	er Beck	109	tion Passed	-	
Rep. Cynthia Schreibe Rep. Kathy Skroch	er Beck	(0)		-	
Rep. Cynthia Schreibe Rep. Kathy Skroch Total Yes				-	

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

Date: 3/17/2017

Roll	Call	Vote #:	2	
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2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2028

DILL/NEGOLOTION NO. 3D 2020						
House Agriculture					Committ	tee
□ Subcommittee						
Amendment LC# or	Description:					
Recommendation :						on ——
	•			conded By Rep. Hogan		_
Representatives		Yes	No	Representatives	Yes N	lo
Chairman Dennis Johnson		Х		Rep. Joshua Boschee	X	
Vice Chairman Wayne Trottier		X		Rep. Kathy Hogan	X	
Rep. Jake Blum		X				
Rep. Craig Headland		X				_
Rep. Michael Howe		AB				_
Rep. Dwight Kiefert		X				_
Rep. Jeffery Magrum		Х				
Rep. Aaron McWilliams		Х				_
Rep. Bill Oliver		X				\dashv
Rep. Bernie Satrom		X				_
Rep. Cynthia Schreiber Beck		X				-
Rep. Kathy Skroch		AB				\dashv
Total Yes 12 No 0 Absent 2 Floor Assignment Rep. Magrum						
1 1001 / toolgrillierit	TCP. Magraili					

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

Module ID: h_stcomrep_49_008
Carrier: Magrum

Insert LC: 17.0211.02001 Title: 03000

REPORT OF STANDING COMMITTEE

SB 2028, as engrossed: Agriculture Committee (Rep. D. Johnson, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2028 was placed on the Sixth order on the calendar.

Page 4, line 12, replace "2013" with "2015"

Page 16, line 12, replace "2013" with "2015"

Page 16, line 19, replace "2013" with "2015"

Page 16, line 24, replace "2013" with "2015"

Renumber accordingly

2017 TESTIMONY

SB 2028

- Mr. Chairman and members of the committee, for the record my name is Dustin Assel.
 - I am an attorney with the Legislative Council
 - I staffed the most recent interim Agriculture and Natural Resources committee and I worked on the drafts of SB's 2026, 2027, 2028, and 2029 that were recommended to the Legislative Management and are now before you today.
- I will start by saying that I am here to testify in a purely non-partisan capacity.
 - I am neither in support for nor against these bills, but rather I am here to provide background and information on these bills
- I will address each bill individually at their allotted times, but first, by way of general background:
 - Section 1 of 2015 House Bill No. 1028 directed a continued study of North Dakota Century Code provisions that relate to agriculture, for the purposes of eliminating provisions that are irrelevant or duplicative, clarifying provisions that are inconsistent or unclear in their intent and direction, and rearranging provisions in a logical order. The bills are not intended to change the substantive effect of the law...they are only meant to clean up the statutes that deal with Agriculture.
 - The Century Code contains more than 90 chapters that pertain to agriculture. Many of those sections within those chapters contain material that is irrelevant, duplicative, inconsistent, illogically arranged, or otherwise unclear in its intent and direction. The Legislative Assembly called for a detailed examination of the state's agriculture laws, with the ultimate goal being to clarify and consolidate the multitude of statutory directives within that topic area.
 - The 2007-08 interim agriculture committee began the work of rewriting the sections of the century code pertaining to agriculture.

That committee determined that the rewritten sections be placed in a new title of the century code. That title is 4.1.

- Prior to this interim, 27 chapters of the century code had been rewritten.
 - The 2015-16 interim agriculture and natural resources committee rewrote 40 chapters and over 480 sections of century code.
 - Following the conclusion of committee work, the rewrite project has been deemed complete.
 - I did say there were over 90 chapters that pertain to agriculture, however a number of the chapters are under the authority of the Bank of North Dakota or the Public Service Commission, and the committee did not see fit to include those chapters in the rewrite project. They were removed from the project...the numbers of those chapters can be found in the final report.
- Upon completion of rewriting the 40 chapters this interim, the committee
 determined that it would not be feasible to track that many individual
 bills during the session. The committee therefore recommended that the
 bills be consolidated into 4 bills containing similar subject matter. Those
 bills are the ones you see before you today.
 - O Basically, what the rewrite boils down to is cleaning up the language in the agriculture chapters and moving them into title 4.1 so that they are easier to find. Now I am not going to go over these bills line by line today, as for the most part, the law is the exact same as it was before...it is just moved into a new location in the century code. I will however, give a broad overview of what is included in each bill.

SB 2026: Administrative Authority Bill- Deals with administrative authority chapters related to agriculture

- The bill creates 9 new chapters of century code and 1 new section to an existing chapter
 - O The bill also repeals 28 chapters of century code

- The reason there are more repeals than creates is because SB 2026 repeals all of the remaining chapters of title 4. After the completion of the rewrite, all of the relevant chapters of title 4 will now be contained in title 4.1. However, we do not repeal titles of the century code, so the individual chapters had to be repealed. Some of the new chapters were created and addressed in 2027, 2028, and 2029, but for simplicity all of the repeals in title 4 were addressed in 2026. There is also not always a one-to-one correlation between the chapters being repealed and the chapters being created. In some instances, the committee determined that some chapters of the century code could be combined when they were moved into title 4.1. If you would like to see exactly where every single section of century code went during the rewrite process this interim, we have tables in the legislative management final report online on our website detailing each change.
- 4.1-01 Agriculture Commissioner
 - (pg. 1-11 create the new chapter housing the agriculture commissioner chapter)
- 4.1-15 Northern Crops Institute
 - o (pg. 12- 14)
- 4.1-19 Poultry
 - o (pg. 14-16)
- 4.1-54 Miscellaneous Agricultural Provisions
 - o (pg. 16-22)
- 4.1-55 State Fair Association
 - o (pg. 22-30)
- 11-38 County Extension Agents
 - (30-34) as you can see the county extension agent chapter was moved into a new chapter 11-38 rather than into title 4.1. This was because the committee determined that the chapter relates more

closely with NDSU and the Ag. Commissioner has no involvement of the administration of the chapter.

- 11-39 County Fair Associations
 - (pg. 34- 38) the committee felt that this chapter was better suited under title 11 regarding counties
- 15-12.1 Agricultural Experiment Station
 - o (pg. 38-46)
- 19-02.1 Egg Labeling
 - o (pg. 46)
- 54-60.3 Agricultural Products Utilization Commission
 - o (pg. 46-49)
- Redesignation of Century Code Chapters
 - Finally SB 2026 renumbers chapters in title 4.1. In previous interims there were gaps left in the numbering of chapters with the intention of filling them at a later point. With the rewrite at an end, the committee determines the chapters could be redesignated.

SB 2027: Fertilizer and Pesticide- cleans up and moves the chapters related to pesticides

- The bill creates 9 new chapters of century code. It does not repeal any chapters because as you recall, all of the repealing in title 4 is addressed in SB 2026.
- 4.1-23 Plant Pests
 - o Pg. 1-6
- 4.1-33 Pesticides
 - o Pg. 6-22
- 4.1-34 Pesticide Registration
 - o Pg. 22-36
- 4.1-35 Chemigation
 - o Pg. 36-38
- 4.1-36 Pesticide and Pesticide Container Disposal
 - o Pg. 38-39

- 4.1-37 Anhydrous Ammonia
 - o Pg. 39-46
- 4.1-38 Anhydrous Ammonia Risk Management
 - o Pg. 46-47
- 4.1-39 Crop Product Protection and Harmonization Board
 - o Pg. 47-50
- 4.1-40 Fertilizer
 - o Pg. 50-62

SB 2028: Livestock and Other Animals:

- This bill creates 8 chapters in title 4.1. The also amends a number of chapters in title 36 that the committee felt needed to be updated, but should not be moved into title 4.1. The bill also repeals 8 chapters of century code mostly in title 36 for the chapters that were moved into title 4.1
- 4.1-25 Dairy Regulation
 - o Pg. 1-21
- 4.1-27 Livestock Auction Markets
 - o Pg. 21-30
- 4.1-28 Internet Livestock Auctions
 - o Pg. 30-34
- 4.1-30 Livestock Packing Plants
 - o Pg. 33-34
- 4.1-31 Meat Inspection
 - o Pg. 34-44
- 4.1-32 Rendering Plants
 - o Pg. 44-47
- 4.1-41 Animal Feed Requirements
 - o Pg. 47-59
- 4.1-53 Livestock Medicine
 - o Pg. 59-62

SB 2029: Plants and trees

- This bill creates 5 new chapters of century code in title 4.1.
- 4.1-18 Industrial Hemp
 - o Pg. 1-3
- 4.1-20 Soil Conservation
 - o Pg. 3-29
- 4.1-21 Forestry
 - o Pg. 29-32
- 4.1-22 Nurseries
 - o Pg. 32-35
- 4.1-48 Potato Production Contracts
 - o Pg. 35-37

1/5 SB 2028 #2 pg 1

COMMISSIONER DOUG GOEHRING



ndda@nd.gov www.nd.gov/ndda

NORTH DAKOTA DEPARTMENT OF AGRICULTURE

STATE CAPITOL 600 E BOULEVARD AVE DEPT 602 BISMARCK ND 58505-0020

Testimony of Jessie Pfaff
Senior Policy Analyst
Senate Bill 2028
Senate Agriculture Committee
Roosevelt Park Room
January 5, 2017

Chairman Luick and members of the Senate Agriculture Committee, I am Jessie Pfaff, Senior Policy Analyst for the North Dakota Department of Agriculture (NDDA), and I am representing Agriculture Commissioner Doug Goehring. I am here today in support of Senate Bill 2028 with the following four amendments.

Page 25, line 23, after "as" insert "may be"

Inserting the words "may be" before "prescribed" will return the language back to its original state and allows discretion to be used by the State Board of Animal Health.

The word prescribe means to establish rules, laws or directions in how livestock markets clean and disinfect after each sale. The primary reason the words "may be" have been included in the past were to ensure that given weather and/or disease concerns, the State Board of Animal Health has the flexibility to allow for the use of common sense when regarding how livestock markets clean floors of pens and alleys that are under snow, ice, mud or water due to unforeseen weather and temperature conditions. There may also be times during a major disease outbreak, or after the floors may have been contaminated with a disease that is either highly contagious or

infectious, when the State Board of Animal Health may prescribe a cleaning and disinfection protocol to clean and disinfect floors.

Page 30, line 25, replace "36-04" with "4.1-83"

This reference is incorrect as "36-04" was repealed in 2013, and this chapter can now be found under "4.1-83".

Page 32, line 25, replace "36-04-04" with "4.1-83-10"

This reference is incorrect as "36-04-04" was repealed in 2013, and this reference can now be found under "4.1-83-10".

Page 32, line 25, replace "36-04-10" with "4.1-83-15"

This reference is incorrect as "36-04-10" was repealed in 2013, and this reference can now be found under "4.1-83-15".

Thank you for your time and I would be happy to answer any questions.



- Mr. Chairman and members of the committee, for the record my name is Dustin Assel.
 - I am an attorney with the Legislative Council
 - I staffed the most recent interim Agriculture and Natural Resources committee and I worked on the drafts of SB's 2026, 2027, 2028, and 2029 that were recommended to the Legislative Management and are now before you today.
- I will start by saying that I am here to testify in a purely non-partisan capacity.
 - I am neither in support for nor against these bills, but rather I am here to provide background and information on these bills
- I will address each bill individually at their allotted times, but first, by way of general background:
 - Section 1 of 2015 House Bill No. 1028 directed a continued study of North Dakota Century Code provisions that relate to agriculture, for the purposes of eliminating provisions that are irrelevant or duplicative, clarifying provisions that are inconsistent or unclear in their intent and direction, and rearranging provisions in a logical order. The bills are not intended to change the substantive effect of the law...they are only meant to clean up the statutes that deal with Agriculture.
 - The Century Code contains more than 90 chapters that pertain to agriculture. Many of those sections within those chapters contain material that is irrelevant, duplicative, inconsistent, illogically arranged, or otherwise unclear in its intent and direction. The Legislative Assembly called for a detailed examination of the state's agriculture laws, with the ultimate goal being to clarify and consolidate the multitude of statutory directives within that topic area.
 - The 2007-08 interim agriculture committee began the work of rewriting the sections of the century code pertaining to agriculture.

That committee determined that the rewritten sections be placed in a new title of the century code. That title is 4.1.

- Prior to this interim, 27 chapters of the century code had been rewritten.
 - The 2015-16 interim agriculture and natural resources committee rewrote 40 chapters and over 480 sections of century code.
 - Following the conclusion of committee work, the rewrite project has been deemed complete.
 - I did say there were over 90 chapters that pertain to agriculture, however a number of the chapters are under the authority of the Bank of North Dakota or the Public Service Commission, and the committee did not see fit to include those chapters in the rewrite project.
 They were removed from the project...the numbers of those chapters can be found in the final report.
- Upon completion of rewriting the 40 chapters this interim, the committee
 determined that it would not be feasible to track that many individual
 bills during the session. The committee therefore recommended that the
 bills be consolidated into 4 bills containing similar subject matter. Those
 bills are the ones you see before you today.
 - Basically, what the rewrite boils down to is cleaning up the language in the agriculture chapters and moving them into title 4.1 so that they are easier to find. Now I am not going to go over these bills line by line today, as for the most part, the law is the exact same as it was before...it is just moved into a new location in the century code. I will however, give a broad overview of what is included in each bill.

SB 2026: Administrative Authority Bill- Deals with administrative authority chapters related to agriculture

- The bill creates 9 new chapters of century code and 1 new section to an existing chapter
 - o The bill also repeals 28 chapters of century code

- The reason there are more repeals than creates is because SB 2026 repeals all of the remaining chapters of title 4. After the completion of the rewrite, all of the relevant chapters of title 4 will now be contained in title 4.1. However, we do not repeal titles of the century code, so the individual chapters had to be repealed. Some of the new chapters were created and addressed in 2027, 2028, and 2029, but for simplicity all of the repeals in title 4 were addressed in 2026. There is also not always a one-to-one correlation between the chapters being repealed and the chapters being created. In some instances, the committee determined that some chapters of the century code could be combined when they were moved into title 4.1. If you would like to see exactly where every single section of century code went during the rewrite process this interim, we have tables in the legislative management final report online on our website detailing each change.
- 4.1-01 Agriculture Commissioner
 - (pg. 1-11 create the new chapter housing the agriculture commissioner chapter)
- 4.1-15 Northern Crops Institute
 - o (pg. 12- 14)
- 4.1-19 Poultry
 - o (pg. 14-16)
- 4.1-54 Miscellaneous Agricultural Provisions
 - o (pg. 16-22)
- 4.1-55 State Fair Association
 - o (pg. 22-30)
- 11-38 County Extension Agents
 - (30-34) as you can see the county extension agent chapter was moved into a new chapter 11-38 rather than into title 4.1. This was because the committee determined that the chapter relates more

closely with NDSU and the Ag. Commissioner has no involvement of the administration of the chapter.

- 11-39 County Fair Associations
 - (pg. 34- 38) the committee felt that this chapter was better suited under title 11 regarding counties
- 15-12.1 Agricultural Experiment Station
 - o (pg. 38-46)
- 19-02.1 Egg Labeling
 - o (pg. 46)
- 54-60.3 Agricultural Products Utilization Commission
 - o (pg. 46-49)
- Redesignation of Century Code Chapters
 - Finally SB 2026 renumbers chapters in title 4.1. In previous interims there were gaps left in the numbering of chapters with the intention of filling them at a later point. With the rewrite at an end, the committee determines the chapters could be redesignated.

SB 2027: Fertilizer and Pesticide- cleans up and moves the chapters related to pesticides

- The bill creates 9 new chapters of century code. It does not repeal any chapters because as you recall, all of the repealing in title 4 is addressed in SB 2026.
- 4.1-23 Plant Pests
 - o Pg. 1-6
- 4.1-33 Pesticides
 - o Pg. 6-22
- 4.1-34 Pesticide Registration
 - o Pg. 22-36
- 4.1-35 Chemigation
 - o Pg. 36-38
- 4.1-36 Pesticide and Pesticide Container Disposal
 - o Pg. 38-39

- 4.1-37 Anhydrous Ammonia
 - o Pg. 39-46
- 4.1-38 Anhydrous Ammonia Risk Management
 - o Pg. 46-47
- 4.1-39 Crop Product Protection and Harmonization Board
 - o Pg. 47-50
- 4.1-40 Fertilizer
 - o Pg. 50-62

SB 2028: Livestock and Other Animals:

- This bill creates 8 chapters in title 4.1. The also amends a number of chapters in title 36 that the committee felt needed to be updated, but should not be moved into title 4.1. The bill also repeals 8 chapters of century code mostly in title 36 for the chapters that were moved into title 4.1
- 4.1-25 Dairy Regulation
 - o Pg. 1-21
- 4.1-27 Livestock Auction Markets
 - o Pg. 21-30
- 4.1-28 Internet Livestock Auctions
 - o Pg. 30-34
- 4.1-30 Livestock Packing Plants
 - o Pg. 33-34
- 4.1-31 Meat Inspection
 - o Pg. 34-44
- 4.1-32 Rendering Plants
 - o Pg. 44-47
- 4.1-41 Animal Feed Requirements
 - o Pg. 47-59
- 4.1-53 Livestock Medicine
 - o Pg. 59-62

SB 2029: Plants and trees

- This bill creates 5 new chapters of century code in title 4.1.
- 4.1-18 Industrial Hemp
 - o Pg. 1-3
- 4.1-20 Soil Conservation
 - o Pg. 3-29
- 4.1-21 Forestry
 - o Pg. 29-32
- <u>4.1-22 Nurseries</u>
 - o Pg. 32-35
- 4.1-48 Potato Production Contracts
 - o Pg. 35-37

17.0211.02001 Title. Prepared by the Legislative Council staff for House Agriculture Committee

March 16, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2028

Page 4, line 12, replace "2013" with "2015"

Page 16, line 12, replace "2013" with "2015"

Page 16, line 19, replace "2013" with "2015"

Page 16, line 24, replace "2013" with "2015"

Renumber accordingly

COMMISSIONER DOUG GOEHRING



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NORTH DAKOTA DEPARTMENT OF AGRICULTURE

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Testimony of Jessie Pfaff
Senior Policy Analyst
Senate Bill 2028
House Agriculture Committee
Peace Garden Room
March 17, 2017

Chairman Johnson and members of the House Agriculture Committee, I am Jessie Pfaff, Senior Policy Analyst for the North Dakota Department of Agriculture (NDDA), and I am representing Agriculture Commissioner Doug Goehring. I am here today in support of Senate Bill 2028.

NDDA program staff are here today and would be happy to answer any questions you may have pertaining to the NDDA programs outlined in SB 2028.