



C. ESM

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Openatoria Strustura



2003 HOUSE GOVERNMENT AND VETERANS AFFAIRS
HCR 3019

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Openator's Stanatura

10/6/63 Date 40

2003 HOUSE STANDING COMMITTEE MINUTES BILL/RESOLUTION NO. HCR 3019

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 2-13-03

Tape Number	Side A	Side B	Meter #
1	Х		0-36.1
Committee Clerk Signate	ire Aller Kl	aike	

Minutes: Vice-Chairman Grande: called the hearing to order. All committee members were present.

Eric Gosenstad, President, North Dakota Farm Bureau: was present and gave testimony in favor of HB 3019.

The current resolution you have before you is, speaks to opening travel restrictions placed on the Republic of Cuba by the United States government. As you are aware of in 1962 the blockade was put on Cuba because of their actions that their government put towards the U.S. back in those days and forty years later, we are still dealing with those. Cuba used to be one of North Dakotas major trading partners. North Dakota used to ship about 1 million tons of red spring wheat into Cuba. From 1962 to 2000 people in the U.S. were unable to do any business to the island of Cuba. In 2000 the trade sanction was passed by Congress that allowed for the cash sale of agricultural products and medicine to the Republic of Cuba from the United States. North Dakota is the nations leader in the production of a lot of different products.. Texas A and M did

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute Here filmed image above is less legible than this Notice. It is the filmed image above is less legible than this Notice. were tilmed in the regular course of business. The photographic process meets standards of the American mational standards institute (ANBI) for archival microfilm. NOTICE: If the filmed (mage above is less legible than this Notice, it is due to the quality of the document before filmed.

document being filmed.

विभिन्ना बहुत स्ट्राहरू

Page 2
House Government and Veterans Affairs Committee
Bill/Resolution Number HCR 3019
Hearing Date 2-13-03

wat discours of

a study about a year ago, to talk about the economic impact of agricultural trade to the Cuba from the U.S., North Dakota ranked twelveth in that study. If we did a full and true business with Cuba it could mean about thirty seven and one half million dollars a year additional to North Dakotas economy. It employs something over 1000 people, now this is a market that the NDFB saw a chance to crack, about one year ago we visited the island, met with some of there trade people, and since been there two other times, on trade missions and according to NDSU numbers the business we have done with them amounts to about five million dollars to the economy and about 33 new jobs for North Dakota. Its a very small piece of it right now but it is a market that will continue to grow. There are many restrictions placed on Americans doing business with Cuba, they have to do with the first act passed in 1916 called the Trading with the Enemy Act. There is a law that says, any ship that calls on Cuban ports can't call on U.S. ports for one hundred and eight days. We feel that needs to be lifted, there are ways around it you can be licensed, there is one shipping company that is licensed by the government. The finance restrictions that are in place, that is a restriction that NDFB believes it should be left in place for now, because right now it's cash only sales, we are getting the cash the rest of the world is going on the ledger, and the rest of the world is not getting paid, because they want to do business with the United States, they feel they have to do business with the United States, and we are getting the cash, is it enough, no it is not the one restriction we have to lift now is the travel restriction. U.S. citizens are resticted from free travel. Certain people can travel, but it is very very limited, and the island of Cuba has tremendous potential for tourism, for Americans. That is what this resolution speaks to.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and user filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOYICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Page 3 House Government and Veterans Affairs Committee Bill/Resolution Number HCR 3019 Hearing Date 2-13-03

Representative Klemin: how does this work will we also lift the travel restrictions for them to come here?

Eric Gosenstad: we would hope so, one of the things that is really a road block to building trade with Cuba, is that right now there trade people are prohibited to coming to the United States, we have been trying since last January to bring a gentleman by the name of Padro Alveraz to North Dakota he is the person that everything that the Republic of Cuba buys in the way of agricultural commodities goes through his hands he is their buyer. We have been trying to bring him and some of his lieutenants, to North Dakota to look at our agricultural industry and we can't get him here. The State Department will not grant this.

Representative Nelson: appeared in support of HCR 3019. I raveled to Cuba with the NDFB delegation to see what the opportunities of that country has for North Dakota producers and that is the reason for this resolution, I think it is important that much of this has already been said. Cuba offers a get potential for North Dakota producers. What we saw down there is that they are a very poor country. What we saw down there that the commodities they purchase are very low quality, when they saw the quality of North Dakota products. Tourism is their number one industry today, if travel flows freely not only will they need more commodities but they will get a higher quality commodity. We can bring our smaller barges into the port of Havanna, at a much cheaper rate then they can access their quantities from Europe now. This would offer some great opportunities. If we can do something to force our government to open up the doors not only for trade but travel, North Dakota would benefit on production of agriculture and would lead the way in the country.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Operator's Signature

R

document being filmed.

Paje 4
House Government and Veterans Affairs Committee
Bill/Resolution Number HCR 3019
Hearing Date 2-13-03

If we could bring a trade delegation in North Dakota we could showcase the crops where we could show them the blending possibilities with wheat compared to some of the stuff they are bringing in today.

Representative Klemin: We have a resolution now only for one way travel U.S. citizens to Cuba but it doesn't say for Cuba to travel to U.S.

Representative Nelson: I would certainly be opened to an amendment that would do that.

At least to welcome trade delegations for trade as a first step and free travel.

Representative Grande: I think the big part of that issue really isn't that the U.S. is not restricting travel to here, but Cuban government is not letting there citizens come here. So addressing that as a issue we need to keep a clean perspective of what we are trying to do here. If we increase our travel there and we drop our money into their economy that gives them more money to pay back.

Representative Sitte: under the trading with the Enemy Act, we are allowed to export as much food as we can possibly sell them or as they can afford to buy.

Representative Nelson: as I understand it food and medicine are allowed to trade, the problem is we can't extend credit to Cuba. Their ablility to purchase our product is limited by there cash flow only, basically. They are truly a very poor country. If we can raise their industry (tourism) to a higher level they have more cash to buy our goods.

Representative Sitte: I think we have to remember what President Bush said last May when he was talking about that he will not lift the trade embargo with Cuba until they release the political prisoners and maybe there is a problem, maybe there is a reason our state department realizes what they have done to some people and that is why they are not allowed to travel here.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (AMSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the

Page 5
House Government and Veterans Affairs Committee
Bill/Resolution Number HCR 3019
Hearing Date 2-13-03

What kind of handle does the U.S. have on these communist countries that are riddled with human rights abuses, if we don't in some way put restrictions on these counties.

Roger Johnson, N.D.Ag Commissioner: I've been to Cuba twice in the last 7 or 8 months. I've provided testimony this resolution is a very small first step in my judgement we have to do a lot more. We ought to encourage travel both ways, number one, and personally I think we ought to lift the embargo. Attached to the back of my testimony you will see policy amendment form. We did endorce this by a two to one bargain across the country, we think it is time to lift the embargo there are a lot of issues dealing with transportation efficiencies. When Cuba pays for the shipment of peas what they generally do send their pesos to Europe and then convert their pesos into European currency convert that European currency into U.S. dollars, ship it back to here. Often times when you trade a dollar, for another form of currency, then you trade it back you will lose money in the deal sometimes you lose a lot of money in the transaction because the markets are a little bit out of sync. I would very much support this resolution, there is another resolution going through the legislature, so you will have a chance to deal with that as well.

Representative Meier: currently with what country is Cuba doing the most trade with?

Roger Johnson: My guess it would be Canada and I will tell you why, I know that tourism is the biggest part of there non-government economy. And Canada is the biggest part of the tourism sector in Cuba after that is Europe. Canada, really their tourism industry is really small by comparison to Florida, Cuban tourism industry is between 1 to 2 billion dollars, Florida is between 15 or so billion dollars. Cuba is very small and backwards.

Representative Sitte: Well, I whole heartly want to see the farmers extend their markets, I have to vote against it because I feel that it is so very wrong to support Fidal Castro.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Operator's Signature

10/10/63

Page 6
House Government and Veterans Affairs Committee
Bill/Resolution Number HCR 3019
Hearing Date 2-13-03

Representative Devlin: made a motion to **DO PASS** HCR 3019.

Representative Haas: SECOND the motion.

YOTE: 13 YES 1 NO 0 ABSENT.

Motion carried.

Representative Devlin will carry the bill to the floor.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microffiming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microffim. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

-CO08-

While the half will be a form of the second of the second

ومستعل المسرب يرينسو

Roll Call Vote #:

Date: 2-13.03 HOR 3019

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO.

House GOVERNME	ouse GOVERNMENT AND VETERANS AFFAIRS			Committe	
Check here for Conference	Committee				
Legislative Council Amendmen	t Number				
Action Taken	Do		ass		
Motion Made By Rep.	Devlin	Se	econded By Rep. Ho	ras	
Representatives	Yes	No	Representatives	Yes	No
Chairman M.M. Klein	X		B. Amerman	X	
Vice Chairman B.B. Grande	X		L. Potter	X	
W.R. Devlin	X		C. Williams		
C.B. Haas	X		L. Winrich	Y .	
J. Kasper	¥				
L.R. Klemin	Y				
L. Meier	X				
M. Sitte		χ			<u></u>
W.W. Tieman	X				
R.H. Wikenheiser	X				
Total (Yes)	3	No			
Absent	0				
Floor Assignment	Re	p. 1	Devlin		
If the vote is on an amendment, be	riefly indicate	intent	:		

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

R

REPORT OF STANDING COMMITTEE (410) February 13, 2003 2:31 p.m.

Module No: HR-28-2622 Carrier: Devlin Insert LC: . Title: .

HCR 3019: Government recommends DO PASS (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HCR 3019 was placed on the Eleventh order on the calendar.

(2) DESK, (3) COMM

Wester Will a gent to the second of the seco

Page No. 1

HR-28-2622

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

perator's signature

2003 SENATE GOVERNMENT AND VETERANS AFFAIRS

HCR 3019

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Operator's Signature

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3019

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 03/13/03

Tape Number	Side A	Side B	Meter #
Tape 2	X		1800-5275

Minutes:

Senator Karen Krebsbach, Chairman opens HCR 3019. All senators present.

Representative Jon Nelson, sponsor of the bill, goes through bill.

Thinks the investment would prove more wealth. The ND spring wheat was the finest they ever saw. They would like to have it. The bison and bean trade would be in interest also. We have a transportation advantage on our competitor's. They are restricted on the size of ships that can go into their port. If we want to expand our trade with Cuba we need to promote people to be able to spend money there.

Senator Dever: Is your concern about travel to Cuba related more to tourism or to access to the market?

Rep. Nelson: The tourist dollar is what that country needs to begin to build an industry.

Senator Krebsbach: The resolution that is SCR 4007, that we had in our committee and amended it to included opening up the travel freely, that is about the same as this resolution.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the

document being filmed.

Balant Harant Harant Comment of the Comment of the

R

Page 2
Senate Government and Veterans Affairs Committee
Bill/Resolution Number HCR 3019
Hearing Date 03/13/03

Senator Fairfield: You mentioned the administration, do we need to include the administration in this?

Rep. Nelson: I would consider that a friendly amendment.

Senator Fairfield: Is there others besides the Farm Bureau that have been pivotal in this?

Rep. Nelson: When I drafted this it was before the last two trips to Cuba. This process began with the Farm Bureau leading the charge.

Erik Aamanstad, ND Farm Bureau in support of resolution, this is the most important component to continue the trade with Cuba. Tourism is their most viable source of income.

Anything that goes down to Cuba as tourism will come back to us. The Cuban government will not stiff Americans.

Senator Fairfield: Isn't Florida crucial to wanting this to go both ways.

Aamanstad: The state of Florida wants this despite what the media believes.

Senator Krebsbach: In SCR 4007 it refers to the United States House of Representatives in July of 2002 voted to lift restrictions in travel and remove hurdles to the sale of food and medicine to Cuba, has that been also past by the Senate and signed by the President?

Asmanstad: No it has not.

Chuck Flemming, (Testimony attached on behalf of Roger Johnson, Agriculture commissioner)

Representative Jon Nelson: Referring to the other resolution we would like this one to stand alone just in case Congress would not approve the trade agreement in SCR 4007. At least this would still promote the end to the material feature.

Closed HCR 3019

Milantin production and the second second

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Solosta Kickford

10/6/63 Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3019

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 03/20/03

Tape Number	Side A	Side B	Meter #
Tape 2	Х		400-540

Minutes:

Committee discussion on HCR 3019. Senator Brown is absent.

Senator Nelson moves for a Do pass

Senator Wardner 2nd

5 Yes 0 No 1 Absent

Carrier: Senator Nelson

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. HOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Kickford

10/6/53.

Date: 3/20/03 Roll Call Vote #:)

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 3019

Senate Government and Veteran Affairs					Committee	
Check here for Conference Con	nmittee					
Legislative Council Amendment Nu	mber _			·	·	
Action Taken	OP	ass				
Motion Made By Nelson		Se	econded By Wordher			
Senators	Yes	No	Senators	Yes	No	
Senator Karen Krebsbach, Chr.			Senator April Fairfield			
Senator Dick Dever, Vice Chr.	/		Senator Carolyn Nelson	IV.		
Senator Richard Brown						
Senator Rich Wardner	V					
						
				_		
	-			_		
	 					
	-					
	 					
Total (Yes)		No	0		السدر و	
Total (168)		140)		,	
Absent		dr		· • • • • • • • • • • • • • • • • • • •		
Floor Assignment Welso	,,,					
If the vote is on an amendment, brief	y indicat	e inten	t:			

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Operator's Signature

Who had been been and the state of the

REPORT OF STANDING COMMITTEE (410) March 20, 2003 1:43 p.m.

Module No: SR-50-5330 Carrier: Nelson Insert LC: . Title: .

HCR 3019: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends DO PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HCR 3019 was placed on the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

SR-50-5330

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meats standards of the American National Standards Institute (ANSI) for archival microfilm. NC/ICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Operator's Signature

2003 TESTIMONY

HCR 3019

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meats standards of the American National Standards institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

40

R

Roger Johnson Agriculture Commissioner www.agrlepartment.com



Phone (701) 328-2231 Toll Free (800) 242-7535 Fax (701) 328-4567

600 E Boulevard Ave., Dept. 602 Bismarck, ND 58505-0020

Testimony of Roger Johnson
Agriculture Commissioner
North Dakota Department of Agriculture
HCR 3019
House Government and Veterans Affairs Committee
Fort Union Room
February 13, 2003

Chairman Klein and members of the Government and Veterans Affairs Committee, I am
Agriculture Commissioner Roger Johnson and I am here today in support of House Concurrent
Resolution 3019, which relates to trade with Cuba.

The US trade policy toward Cuba is flawed. It is a policy that is not consistent with our country's overall trade policy towards other countries. If it is designed to use food as a weapon, it has finited. Amazingly, the current policy is held in place by the strong support of about 600,000 ('uban Americans living in two counties in south Florida that have been able to influence the President and the Congress. If only our 600,000 + North Dakotans could exert such influence!!!

('urrent US policy allows for the cash sales of food and medicine to Cuba. Visa and license requirements are burdensome, direct currency exchanges are not possible, and the current system is very inefficient.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. MOTICE: If the filmed image above is less Legible than this Notice, it is due to the quality of the document being filmed.

North Dakota has been a leader in trading with Cuba. Senator Dorgan has been a leader in Congress in attempting to change policy. Governor Hoeven has visited Cuba and promoted North Dakota food products with Cuban government leaders. Lt. Governor Jack Dalrymple and I participated in the US Food Exposition in Havana in September with ten North Dakota companies. That show has resulted in eight sales thus far.

Changing our trade policy with. Cuba is not only in the interest of North Dakota farmers, but farmers nationwide. I proposed policy language at a recent meeting of the National Association of State Departments of Agriculture (NASDA) which urges changes in our trade policy towards Cuba. I am pleased to report that my counterparts from around the country concur with this position and passed the policy language. (A copy of that policy language is attached.)

Sixty percent of Cuba's food imports came from the United States forty years ago. Our goal should be to reach that level again. We can with a change in US policy. North Dakota is fortunate in that we are able to provide products such as dry edible beans and pulse crops that are a staple of the Cuban diet. They are "bargain" protein foods and for a poor country with the huge challenge of feeding their people, it gives us substantial opportunity.

The current policy of "cash only" sales at first blush may seem to be in our best interest.

However it is an inefficient system characterized by small sales, the absence of long-term contracts, unnecessarily high transportation costs due to the lack of backhauling, and exchange rate losses. All of this forces Cuba to put the squeeze on our companies on pricing, and it

2

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

becomes difficult to compete with other countries even though we enjoy natural logistical competitive advantages.

A change in government policy which would lift tourist restrictions would help provide Cuba with more US dollars which would allow them to buy more US products, particularly more value added agricultural products for the food service-hotel trade. Currently our primary market is in the lower cost commodities.

I recognize that when normal trade relations are resumed that it is in our interest to negotiate agreements that do no adversely affect our current industries such as sugar. I believe that can be done, and we must be vigilant as those issues are discussed.

I know that with a population of 11 million people, Cuba is not a huge market. But for some of our "minor" crops in North Dakota, it can be a very significant market. North Dakota has positioned itself to be at the front door should normal trade relations resume. We should be leading the effort in trying to change policy. The passage of this resolution works towards that end.

Mr. Chairman and committee members, I urge the adoption of HCR 3019. I would be happy to respond to any questions at this time.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets atandards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

document being filmed.

POLICY AMENDMENT FORM

	1
Amend nent to_International Marketing & Trade (Policy Title)	
Section Number /Title to Be Amended6.2	
Subject of Amendment	
Submitted By_Roger Johnson (ND) and Billy Ray Smith (KY)(Name)	(State)
Amend ment Text (Please write legibly):	
6.2, "Expansion Of Trade Opportunities—	

Trade vith Curva - U.S. economic sanctions against Cuba have been relaxed by recent legislation. The change in sanctions may enable U.S. food and agricultural sales to an island that's only 90 miles from Florids. The challenge, however, is that the legislation includes very specific licensing and financial provisions that US exporters must adhere to.

As Cuba's economy responds to increased investment, incomes will increase and in turn cause an increase in food consumption - especially processed food products. An increase in tourism along with the reform of Cuba's economy is expected to increase demand for imported foods even more.

The United States, with its variety of products, does have a trade advantage with Cuba given its close proximity to Florida. NASDA urges the Administration and the various U.S. government agencies to interpret the new law as broadly as possible, especially the financial terms so companies can compete with other countries in the global marketplace.

NASI A further urges the Administration and the U.S. Congress to reexamine U.S. policy towards Cuba and lift the current embargo against Cuba.

In 2002, over 2.00 million dollars of agricultural products have been purchased by Cuba from the United States. Cuban government officials indicate that they expect food imports from the United States to total \$250 million in 2003. Forty years ago 60 percent of Cuba's food imports came from the United States. Current U.S. trade policy provides great inefficiencies to both United States farmers and the Cuban government. Third party currency exchanges further compounds trade activity problems. Further, U.S. trade policy to Cuba is inconsistent with trade policy to other countries. Therefore a major change in policy is appropriate.

The U.S. should eliminate the "Cash Only" sales provision of the current law as well as extend trade to other areas besides food and medicine. Laws and regulations related to visa and license requirements should be streumlined to better promote trade activities. Long terms contracts should be allowed, which will provide more efficiencies for both parties. We further believe exchange of biotech research would have a benefit to both countries. Importation of Cuban products into the U.S. should be allowed with apprepriate safe guards for our domestic markets. Cuba should be held to the same sanitary phytosanitary standards as the rest of the world trading community. Tourism restrictions for both countries should be lifted.

C Wasumonte in A Southps/Administration Desktop/Cubs Trade wood

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

-h.

Roger Johnson
Agriculture Commissioner
_www.agdepartment.com



Phone (701) 328-2231 Toll Free (800) 242-7535 Fax (701) 328-4567

600 E Boulevard Ave., Dept. 602 Bismarck, ND 58505-0020

Testimony of Roger Johnson
Agriculture Commissioner
North Dakota Department of Agriculture
HCR 3019
Senate Government and Veterans Affairs Committee
Missouri River Room
March 13, 2003

Chairperson Krebsbach and members of the Senate Government and Veterans Affairs

Committee. I am Agriculture Commissioner Roger Johnson, and I am here today in support of

House Concurrent Resolution 3019.

This resolution urges Congress to pass legislation that will allow United States citizens to freely travel to the Republic of Cuba. You have already considered and passed Senate Concurrent Resolution 4007 to support increased trade with Cuba. You added a provision to that resolution urging the lifting of the travel ban. So perhaps I am preaching to the choir.

As you know, many of us in North Dakota have been active in promoting trade with Cuba. I have personally been there twice in the past six months. At the US Food Exposition in Havana in September 2002, ten North Dakota companies were represented, resulting in eight sales thus far.

Cuba is a poor country and in order to increase its purchase of US food, it needs to stimulate its economy. Tourism is a natural. The Cubans have been working very hard to become a major

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

K.

tourism attraction, because they know what it can do for their economy. In the last ten years they have created 200,000 new jobs in the tourism industry. Tourism now represents 41% of the income for their balance of payments. It 1990 it was 4%.

You might be interested in where the tourists come from that visit Cuba now. Canada is the leader with 350,000 tourists last year. The Canadians are followed by Germany, Italy, Spain, France, England, and Mexico in that order. If US citizens were allowed to travel to Cuba and did so at the same rate as Canadians, that would mean 3.2 million visitors from the United States. That is probably very realistic and would have a tremendous impact on their economy.

Contrary to popular belief, there is substantial support in Florida for lifting the travel ban. The Florida cruise ship industry relies on a lot of repeat business, and their customers are looking for new destinations. They would welcome the opportunity to open up the Cuban market.

Our policy towards Cuba is flawed and not consistent with our country's overall trade policy.

Hopefully this resolution will help encourage the Congress to make some changes.

I urge the adoption of HCR 3019.

I would be happy to respond to questions.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and Here filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

10/10/03