

2005 SENATE AGRICULTURE

SB 2044

#### 2005 SENATE STANDING COMMITTEE MINUTES

### **BILL/RESOLUTION NO. SB 2044**

Senate Agriculture Committee

☐ Conference Committee

Hearing Date January 13, 2005

Tape Number	Side A	Side B	Meter#
1	X		2947 - end
1		х	0 - 1473
		0	
Committee Clerk Signa	ature	0960	

Minutes:

Chairman Flakoll opened the hearing on SB 2044, relating to the state seed department, seed labeling, and certified seed; relating to the state seed arbitration board and labeling requirements for seed labeling permit fees. All members were present.

**Tim Dawson**, Legislative Council, explained the bill. The bill clarifies the seed law with a few changes recommended by the seed department.

Section 1 defines agent when they are acting officially for the commissioner. Section 5 authorizes the delegation of powers to an agent, this change is due to an audit where duties to sign vouchers had been assigned to an agent. On page 2 there are definitions added and the definition of hybrid is removed because it is never used. Subsections 14, 19 and 20 were clarified.

In section 2, language was moved from later portions of the bill.

On page 7 a per diem is added for commission members.

Page 2 Senate Agriculture Committee Bill/Resolution Number SB 2044 Hearing Date January 13, 2005

Section 4 is clean up. Section 8 is language that was moved. Section 10 is labeling requirements for agricultural seed.

Page 11, lines 22 - 24 is a substantive change relative to brand, a new definition.

Page 12, lines 9 and 10 is also a new definition of blend.

Page 13, lines 15 - 17 is new and substantive.

Section 14 is a substantive change regarding record keeping.

Section 16 is substantive and is new prohibitions relating to germination tests.

Section 19, page 24, lines 28 and 29 relates to exemptions to labeling requirements.

Page 27 is the repealer brought in from another section.

Page 29, section 28 is prohibitions.

Section 30 is licensing procedure for non residents. (meter 3960).

Ken Bertsch, state seed commissioner, testified in favor of the bill.. (written testimony)

Senator Klein asked when the seed law was originally written.

Mr. Bertsch said it was written in the 1930's. Some of the language is still from the 30's. Our legal language has changed since then. (meter 4454)

**Senator Klein** asked about one of the sections that deals with bordering states selling seed in the state, is that a substantive change? (meter 5586)

Mr. Bertsch this is not a big issue, those issues are covered under federal law. The other revelent issue is on page 11 of the bill, line 22. They added language allowing seed to be sold by brand. Seed, especially soybean seed, is sold nationwide under brand names. North Dakota is one of the few states that does not allow it unless the varieties in the bag are listed on the bag. This has been a problem because seed in sold interstate. This change will clarify the issue

because our producers want branded seed and now they can buy it in the state as long as the variety name, even if its a blend, is on the bag. This allows consumer protection and still allows products to be sold and utilized within the state.

Senator Taylor asked about the added per diem, how often does the commission meet.

Mr. Bertsch said they have nine members on the commission, 2 are state employees who would not receive the per diem, leaving seven members who would be paid. The fiscal note shows the cost over the biennium. (end of side 1) These members are volunteering a lot of time and effort and it is fair to provide them with some compensation.

**Senator Taylor** asked about updating the codes from the 1930's regarding farmer propagated seeds and biotech varieties.

Mr. Bertsch said our seed laws are clear enough despite the fact that people would like to make farmer to farmer transfers or keep the seed and plant it themselves. This is governed under federal law. Plant Variety Protection (PVP) falls under federal law and a producer can't sell it and we can't write a state law to allow it. The owner is protected under PVP as to who gets seed. There is very little common seed now in the industry. The transfer of common seed is legal.

Senator Taylor What we have here is OK at the state level. (meter 310)

Mr. Bertsch said there are different interpretations but we should be OK. We still have to answer the questions.

**Senator Flakoll** asked about page 13, innoculants. What is the life of an innoculant, when is it no longer effective.

Mr. Bertsch said this is RUSSL language. He assumes there is a list of products and their useful life.

Senator Flakoll asked about seed stored in a barn that is out of date.

Mr. Bertsch said if the seed is in a barn, it has already been sold and the Agriculture Department would be the agency that would assist with disposal. The label would state how long it would be viable.

Senator Flakoll asked about page 19, the change for keeping records from 2 to 3 years.

Mr. Bertsch said this change is recommended under RUSSL and most states are moving to it.

Senator Flakoll asked about the fiscal note showing impact on other funds.

Mr. Bertsch said the seed department receives no funds from the state, all the revenues are service fees.

Senator Klein asked about Identity Preservation (IP), is this in another section of law. (meter 637)

Mr. Bertsch said back in 2001, the seed department recommended language in the code to allow them to do IP work because they could be challenged if they provided this service without it being included in code. It is included in Chapter 449 which also includes grading services and feed inspection. The demand for the service has not come yet because the profits are not there yet. When the time comes, the seed department will provide this service.

Senator Flakoll closed the hearing on SB 2044.

**Senator Flakoll** recommended the committee take some time to digest the material and get the amendments written for form and style.

**Senator Urlacher** asked how the seed department controls the sale of plants that are undesirable for North Dakota.

Page 5 Senate Agriculture Committee Bill/Resolution Number SB 2044 Hearing Date January 13, 2005

Mr. Bertsch said they are regulated under the noxious weed clause. The seed department deals only with seed. Regulation of garden plants is an Agriculture Department function.

Senator Urlacher said he was referring to shrubs and plants not adapted to North Dakota.

Mr Bertsch said, for example in Wal Mart, imported shrubs in their greenhouse are supposed to comply with the North Dakota noxious weed law. If they were selling a noxious weed and an inspector found it, they would be written up and a stop sale order would be made. There is a regulatory team that checks local seed retailers and greenhouses.

Senator Flakoll recommended the committee take up the bill next Thursday after amendments have been drafted.

Chairman Flakoll recessed the meeting of the Senate Agriculture Committee.

#### 2005 SENATE STANDING COMMITTEE MINUTES

### **BILL/RESOLUTION NO. SB 2044**

Senate Agriculture Committee

☐ Conference Committee

Hearing Date January 21, 2005

Tape Number	Side A	Side B	Meter #
1	X		71 - 520
	(		
Committee Clerk Signat	ure	allie)	

Minutes:

Chairman Flakoll opened the discussion on SB 2044. All members were present.

The committee examined the amendments prepared by the intern.

Senator Klein moved a do pass on the amendments prepared by the intern 50027.0300.0200.

Senator Seymour seconded the motion.

Senator Klein said the purpose is to update the language. The lawyer who usually does agriculture work was not available when the bill was written. The amendment addresses changes recommended by Ken Bertsch. He asked if Anita Thomas did the amendments?

Chris Friesz, the legislative intern, said he prepared them. He will take them to legislative council when the committee acts on them.

The motion passed on a roll call vote 6-0-0.

Senator Klein made a Do Pass as Amended motion on SB 2044.

Senator Taylor seconded the motion.

Page 2 Senate Agriculture Committee Bill/Resolution Number SB 2044 Hearing Date January 29, 2005

The motion passed on a roll call vote 6-0-0. Senator Klein will carry the bill.

Chairman Flakoll moved on to other business of the Senate Agriculture Committee.

# FISCAL NOTE Requested by Legislative Council 12/17/2004

Bill/Resolution No.: SB 2044

1A. **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.

" -	2003-2005 Biennium		2005-2007	Biennium	2007-2009 Biennium		
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	
Revenues	\$0	\$0	so	\$0	\$0	\$0	
Expenditures	\$0	\$0	\$0	\$5,250	\$0	\$5,250	
Appropriatio ns	\$0	\$0	so	\$5,250	\$0	\$5,250	

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

2003	-2005 Bien	nium	2005-2007 Biennium			07 Biennium 2007-2009 Biennium			
Counties	Cities	School Districts	Counties Cities School Districts Counties		Cities	School Districts			
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

2. **Narrative:** Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

Section 3, 4-09-03.3 contains amendments that allow for per diem compensation at a rate of \$75/day for eligible Seed Commission members (currently 7 members).

Section 24, 4-09-20.2 does not impact the Seed Department budget. It is currently codified and included in Agriculture Department budget, as a program operated by that agency.

- 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.
  - 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.

Expenditures are calculated by multiplying 7 members X \$75/day X 5 meeting days per year (July, 1; November, 2; February, 2) X 2(fiscal years).

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

The estimated expenditures have been included in operating line items, offset by appropriations

request in this line to fund the additional expense.

Note: All estimated expenditures in this note, and the Seed Department budget, are special funds.

Name:	Ken Bertsch	Agency:	Seed Department
Phone Number:	701-231-5415	Date	12/18/2004
		Prepared:	

# PROPOSED AMENDMENTS TO SENATE BILL NO. 2044

#### NOT YET ADOPTED BY THE COMMITTEE

Page 14, Line 1, replace "For vegetable seeds seed in containers of one pound [.45 kilograms kilogram] or" with

2. "For vegetable seeds in packets as prepared for use in home gardens or household"

Page 14, remove Lines through 2 through 31

Page 14. Line 2 insert "plantings or vegetable seeds in preplanted containers, mats. tapes, or other planting devices:

a. Name of kind and variety of seed.

b. Lot identification, such as by lot number or other means.

- c. The calendar month and year the germination test was completed and the statement "Sell by ", which may be no more than 12 months from the date of test exclusive of the month of test or the percentage germination and the calendar month and year the test was completed to determine such percentage provided that the germination test must have been completed within 12 months exclusive of the month of test.
- <u>d.</u> Name and address of the person who labeled said seed or who sells, offers, or exposes said seed for sale within this State
- <u>For seeds which germinate less than the standard last established by the</u>
  (state seed law enforcement officer) under this Act:
  - 1. percentage of germination, exclusive of hard seed:

2. percentage of hard seed. if present:

the words "Below Standard" in not less than 8-point type.

- f. For seeds placed in a germination medium, mat. tape. or other device in such a way as to make it difficult to determine the quantity of seed without removing the seeds from the medium, mat, tape. or device, a statement to indicate the minimum number of seeds in the container.
- 3. For vegetable seeds in containers other than packets prepared for use in home gardens or household plantings and other than preplanted containers, mats, tapes, or other planting devices.
  - a. The name of each kind and variety present in excess of 5 percent and the percentage by weight of each in order of its predominance

<u>b.</u> Lot number or other lot identification

- c. For each named vegetable seed:
  - 1. percentage germination exclusive of hard seed:

2. percentage of hard seed, if present:

3. the calendar month and year the test was completed to determine such percentages.

4. Following subsection 1 and 2 the "total germination and hard seed" may be stated as such, if desired

d. Name and address of the person who labeled said seed, or who sells, offers

or exposes said seed for sale within this state.

e. The labeling requirements for vegetable seeds in containers of more than one pound shall be deemed to have been met if the seed is weighed from a properly labeled container in the presence of the purchaser.

Page 16. Line 17 replace "For all flower seeds" with "For flower seeds in packets prepared for use in home gardens or household plantings or flower seeds in preplanted containers, mats, tapes, or other planting devices"

Page 16, remove Lines 18 through 31

Page 17, remove Lines 1 through 31

Page 16. Line 18 insert

a. For all kinds of flower seeds:

- 1. The name of the kind and variety or a statement of type and performance characteristics as prescribed in the rules and regulations promulgated under the provisions of this act.
- 2. The calendar month and year the germination test was completed and the statement "Sell by ". which may be no more than 12 months from the date of test exclusive of the month of test or the percentage germination and the calendar month and year the test was completed to determine such percentage provided that the germination test must have been completed within 12 months exclusive of the month of test, and.
- 3. The name and address of the person who labeled said seed. or who sells, offers, or exposes said seed for sale within this state.
- b. For seeds of those kinds for which standard testing procedures are prescribed and which germinate less than the germination standard last established under the provisions of this act:
  - Percentage of germination exclusive of hard seeds, and
  - 2. The words "Below Standard" in not less than 8-point type.
- <u>c.</u> For seeds placed in a germination medium, mat, tape, or other device in such a way as to make it difficult to determine the quantity of seed without removing the seeds from the medium, mat, tape, or device, a statement to indicate the minimum number of seeds in the container.
- <u>For flower seeds in containers other than packets and other than preplanted containers, mat. tapes, or other planting devices and not prepared for use in home flower gardens or household plantings:</u>
  - a. The name of the kind and variety or a statement of type and performance characteristics as prescribed in rules and regulations promulgated under

the provisions of this act, and for wildflowers, the genus and species and subspecies, if appropriate.

b. The lot number or other lot identification.

- <u>c.</u> For wildflower seed only with a pure seed percentage of less than ninety percent:
  - 1. The percentage, by weight, of each component listed in order of their predominance:
  - 2. The percentage by weight of weed seed if present; and

3. The percentage by weight of inert matter.

- <u>d.</u> For those kinds of seed for which standard testing procedures are prescribed:
  - Percentage germination exclusive of hard or dormant seed:
  - 2. Percentage of hard or dormant seed, if present: and
  - 3. The calendar month and year that the test was completed to determine such percentages.
- e. For those kind of seed for which standard testing procedures are not available, the year of production or collection.
- f. The name and address of the person who labeled the seed or who sells. offers, or exposes the seed for sale within this state.

Page 24, Line 29, immediately after the period insert "e."

Page 30, Remove Lines 3 and 4.

Renumber accordingly

Date:	/21	105	
Roll Call Vote	#	7	

# 2005 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 2044

Senate Agriculture			<u></u>	- Com	matee
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Legislative Council Amendment Nun	nber <u>é</u>	500	27.0300.020	0	
Action Taken Do Pas	55 +	ter.	amendment		
Motion Made By Se. Klee	ii_	Se	conded By Sen Seg	mo	res
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Senators	Yes	No	Senators	Yes	No
Senator Flakoll	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		Senator Seymour	1	
Senator Erbele	-		Senator Taylor	1	<u> </u>
Senator Klein	1	ļ <i>'</i>			
Senator Urlacher	1-	<u> </u>		ļ	
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Date:	1/	21/0	5
Roll Call	Vote#_	2	

# 2005 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 2044

Senate Agriculture					Committee	
Check here for Conference Con	mmittee					
Legislative Council Amendment Nu	ımber _					
Action Taken Do Pass	As	A	mended			
Motion Made By Ser. Kle	ie .	Se	conded By Sec	actor	•	
Senators	Yes	No	Senators	Yes	No	
Senator Flakoll			Senator Seymour	L		
Senator Erbele	V		Senator Taylor	-		
Senator Klein	V					
Senator Urlacher	V				\$19	
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		-				
Total (Yes)		No	0			
Absent O	<u></u>			·		
Floor Assignment Sen.	Klei	<u>i_</u>	******			
If the vote is on an amendment, brie	efly indica	te inten	t:			

Module No: SR-16-0971

Carrier: Klein Insert LC: 50027.0301 Title: .0400

#### REPORT OF STANDING COMMITTEE

- SB 2044: Agriculture Committee (Sen. Flakoli, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2044 was placed on the Sixth order on the calendar.
- Page 14, line 1, overstrike "containers of one pound [.45", remove "kilogram", and overstrike "] or"
- Page 14, line 2, overstrike "less,", remove "the", overstrike "label", overstrike "must", remove "contain", overstrike "the", overstrike "information", and replace "required by" with "packets as prepared for use in home gardens or household plantings or vegetable seed in preplanted containers, mats, tapes, or other planting devices"
- Page 14, line 3, remove "this subsection"
- Page 14, line 5, after "b." insert "Lot identification by lot number or other means. c." and overstrike "standards as"
- Page 14, overstrike lines 6 and 7
- Page 14, line 8, overstrike "revisions"
- Page 14, line 9, after "Percentage" insert "standard established by the commissioner"
- Page 14, line 11, remove "; the" and overstrike "calendar month and year the test was completed"
- Page 14, line 12, remove "or the year for which the seed was packaged"
- Page 14, line 14, overstrike "c." and insert immediately thereafter "d." and overstrike "full"
- Page 14, line 25, remove the overstrike over "e-"
- Page 14, line 28, after the overstruck period insert "The calendar month and year the germination test was completed and a statement stating the sell by date that may be no more than twelve months from the date of test, exclusive of the month of test, or the percentage germination and the calendar month and year the test was completed to determine the percentage if the germination test was completed within twelve months, exclusive of the month of test.
  - f. For seeds placed in a germination medium, mat, tape, or other device in a way as to make it difficult to determine the quantity of seed without removing the seed, a statement to indicate the minimum number of seeds in the container."
- Page 14, line 29, overstrike "of more than one pound [.45"
- Page 14, line 30, remove "kilogram", overstrike "],", remove "the", overstrike "label", overstrike "must", remove "contain", overstrike "the", and overstrike "information"
- Page 14, line 31, replace "required by this subsection" with "other than packets prepared for use in home gardens or household plantings and other than preplanted containers, mats, tapes, or other planting devices"
- Page 15, line 4, overstrike "Origin, meaning the state or foreign country where grown. If the origin is"

# REPORT OF STANDING COMMITTEE (410) January 25, 2005 9:51 a.m.

Module No: SR-16-0971

Carrier: Klein Insert LC: 50027.0301 Title: .0400

Page 15, overstrike lines 5 through 7

Page 15, line 8, overstrike "e."

Page 15, line 15, remove "or the year for which the seed was"

Page 15, line 16, remove "packaged"

Page 15, line 17, overstrike "f." and insert immediately thereafter "d." and overstrike "full"

Page 15, after line 18, insert:

"e. The labeling requirements for vegetable seed in a container of more than one pound [.45 kilogram] are satisfied if the seed is weighed from a properly labeled container in the presence of the purchaser."

Page 24, line 28, replace "2. A" with "However, a"

Page 24, line 29, replace "under subsection 1" with "from this chapter"

Page 24, line 30, replace "3." with "2."

Page 30, remove lines 3 and 4

Renumber accordingly



2005 HOUSE AGRICULTURE

SB 2044



# 2005 HOUSE STANDING COMMITTEE MINUTES

# BILL/RESOLUTION NO. SB 2044

House Agriculture Committee

☐ Conference Committee

Hearing Date 2---24---05

Committee Clerk Signat	ture WW	ne bl	Myson
		100	6111
ONE	A		00 TO 21,5
Tape Number	Side A	Side B	Meter #

### Minutes:

CHAIRMAN NICHOLAS: Committee Members, we will open SB 2044. Tim do you want to start.

TIM DAWSON: LEGISLATIVE COUNCIL. 2044 clarifies the seed laws. He went through the bill and used that as his testimony. Stated advertisement means any representation, other then representations made on labels, which relates to seed. Agricultural seed means the seed of grass, forage, cereal, fiber oil crops, Irish potato seed tubers, and any other kind of seeds commonly recognized within this state as agricultural seed, lawn seed, and mixture of these seeds. Tim went on to say that this is a clean up bill. On the first page he said it was important that term agent when used in connection with commissioner, means the commissioners deputy inspector analyst specialist, aide, agent and when each is acting officially for the commissioner or performing any duty or duties as provided in this chapter or in the rules adopted to implement

Page 2
House Agriculture Committee
Bill/Resolution Number SB 2044
Hearing Date 2---24---05

this chapter. As to seed "mixture" means seed consisting of more than one kind ,each in excess of five percent by weight of the whole. Noxious weed seed is divided into three classes. Prohibited noxious weed means a weed seed that is prohibited from being present in agricultural, vegetable flower, tree, or shrub seed and is highly destructive and difficult to control by old cultural practices and the use of herbicides and includes a seed of leafy spurge [euphoria esula 1.} Field bindweed [convolvulus arvensesis 1] Canada thistle[cirsium arvense, perennial sow thistle [please see bill]. Tim as to the second page states as you can see there Is a lot of new definitions. Definitions are for clarity and consistency with law. Changes were made at the request of seed department. Page four we changed the meaning of the word person. It is defined elsewhere. Page five seed department has been removed because it was made shorter. There is a lot of new language in Section two. You see a lot of new language there [[it is important that you read the entire bill. It has 31 pages of changes.

#### **CHAIRMAN NICHOLAS:**

REPRESENTATIVE UGLEM: Packets, I don't see packets defined. Is a fifty pound bag or what.

CHAIRMAN NICHOLAS: Mr. Bertsch do you want to answer that.

KEN BERTSCH: STATE SEED COMMISSIONER. AND ADMINISTRATOR OF THE STATE SEED DEPARTMENT. The packet would be less then a fifty pound bag. The bill is a technical correction. Please see my testimony. It standardizes seed laws through out the US. North Dakota sells seed by variety not brand. You can sell seed in N.D. By brand name also. Who ever would purchase would know what is in the feed bag.

REPRESENTATIVE ONSTAD: Section 30.

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House Agriculture Committee
Bill/Resolution Number SB 2044
Hearing Date 2---24---05

KEN BERTSCH: Since there are so few non resident seed dealers. Administering that section was kind of a waste of effort for us. There is a limited number. All of our fees over the past five years have been set by the agency. Approved them. Standardize fees.

REPRESENTATIVE MUELLER: If a new weed comes into the mix will it automatically be included in this mix. A new find considered to be included.

KEN BERTSCH: There are no real changes. They will still be listed as in past.

We list noxious weeds. So why do you have to list them if it is done through rules. Why do they need to be in this bill.

KEN BERTSCH: The basic answer is define prohibitive, restrictive and now undesirable Grass seed.

[[[[please see KEN BERTSCH'S PRINTED TESTIMONY]]]]

Spoke to bonding. The protections are still there. I have to go look it up.

CHAIRMAN NICHOLAS: Any one else wanting to make comments on this bill.

The hearing is closed on this bill. Rep. Onstad do you want more time.

REPRESENTATIVE ONSTAD: If everyone else ok on this.

CHAIRMAN NICHOLAS: THE CHAIR WILL ENTERTAIN A MOTION ON SB2044.

REPRESENTATIVE BRANDENBURG MADE A MOTION FOR DO PASS.

REPRESENTATIVE KINGSBURY SECONDED THE MOTION.

THE CLERK WILL TAKE THE ROLL.

THERE WERE 13 YES 0 NO AND 0 ABSENT.

UGLEM CARRIED THE BILL.

WE WILL CLOSE ON SB 2044

B 2044 2-24-05

Date:

Roll Call Vote #:

# 2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES **BILL/RESOLUTION NO.**

House HOUSE AGRICULTURE COMMITTEE					Committee		
Check here for Conference Con							
Legislative Council Amendment Nu	mber _		·				
Action Taken			Do PASS				
Motion Made By BRA	LENBO	ily Se	econded By / My	5/	ls re		
Representatives	Yes	No	Representatives	Yes	No		
REP. EUGENE NICHOLAS CHAIRMAN	~		REP. TRACY BOE	-			
REP. JOYCE KINGSBURY VICE CHAIRMAN	~		REP. ROD FROELICH	V			
REP. WESLEY BELTER	~		REP. PHILLIP MUELLER	V			
REP. M. BRANDENBURG	1		REP. KENTON ONSTAD	1			
REP. CHUCK DAMSCHEN							
REP. CHAIG HEADLAND	1						
REP. GARY KREIDT							
REP. GERALD UGLEM							
REP. JOHN WALL			`				
Total (Yes) 13		No	0				
Absent	Absent O						
Floor Assignment	42	lel	'7n				
f the vote is on an amendment, briefly indicate intent:							

REPORT OF STANDING COMMITTEE (410) February 24, 2005 1:20 p.m.

Module No: HR-34-3580 Carrier: Uglem Insert LC: . Title: .

# REPORT OF STANDING COMMITTEE

SB 2044, as engrossed: Agriculture Committee (Rep. Nicholas, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2044 was placed on the Fourteenth order on the calendar.

2005 HOUSE APPROPRIATIONS
SB 2044

#### 2005 HOUSE STANDING COMMITTEE MINUTES

#### BILL/RESOLUTION NO. SB2044

House Appropriations Committee Education and Environment Division

☐ Check here for Conference Committee

Hearing Date March 3, 2005

Tape Number	Side A	Side B	Meter #
1		X	4.3-6.9
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Committee Clerk Signatu	ire Robii p	Pemb	

Minutes: Chairman Martinson opened hearing on SB2044

Ken Bertsch, North Dakota State Seed Director Basically bill 2044 is a result of an interim committee that studies seed department chapters this past year. You've got about a 30 page bill in front of you. Legislative Council refers to this as a technical corrections bill and that's basically what it is except for one section. We asked that language be inserted to allow a per deium for our for our state seed commission members, at least the eligible members. I believe it is about \$5000 based on \$75 per deium.

Vice Chairman Brusegaard What do they get paid now?

Ken Bertsch Zero, they are volunteering their time and have been for years.

Rep. Aarsvold What other boards or commissions have a \$75 compensation?

Page 2 Education and Environment Division Bill/Resolution Number SB2044 Hearing Date March 3, 2005

**Ken Bertsch** I don't recall exactly. I did see \$62.50, \$75 and even \$100 with one or two boards or commissions. I took the middle range. Primarily because at least two or three of our commissioners are spending a whole day or even two days.

**Rep. Aarsvold** Would you be adverse to more general language? I think we have done that with some boards. Indicate general language to compensate those folks at the same rate as state legislators, I thinks it is \$62.50?

Ken Bertsch No, I would not. Our commission members would not also.

Rep. Aarsvold That would supply an ongoing sort of increase as appropriate.

Chairman Martinson Close hearing on SB2044.

2005 HOUSE STANDING COMMITTEE MINUTES

#### **BILL/RESOLUTION NO. SB2044**

House Appropriations Committee Education and Environment Division

☐ Check here for Conference Committee

Hearing Date March 17, 2005

Tape Number	Side A	Side B	Meter #		
1	X		16.3-17.6		
Committee Clerk Signature Pensley					

Minutes: Chairman Martinson opened hearing on SB2044.

**Vice Chairman Brusegaard** SB2044 was a housekeeping clarifying bill and the one big change was on page seven of the bill, subsection three. That's where the compensation came in. It set a range of \$75 a day which is in the middle of all the boards in state law. I would move a Do Pass recommendation on SB2044.

Rep. Rennerfeldt Second

**Rep. Aarsvold** The other language pages are of a technical nature to bring things up to date? **Vice Chairman Brusegaard** That is correct.

VOTE 6 YES and 0 NO with 0 absent not voting. Vice Chairman Brusegaard will carry to full committee.

# 2005 HOUSE STANDING COMMITTEE MINUTES

# BILL/RESOLUTION NO. SB2044 Seed Labeling

House Appropriations Full Committee

☐ Conference Committee

Hearing Date March 22, 2005

Tape Number	Side A	Side B	Meter #	
1		X	#2.8 - #5.7	
Committee Clerk Signature Chas		Sperander		

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on SB2044.

**Rep. Bob Martinson** explained that the committee raised the per dium to \$75 a day and these are special funds.

**Rep. Ole Aarsvold** explained that there were technical language changes were made to bring the language up to date as far as industry standards.

Rep. Francis J. Wald moved a Do Pass motion on SB2044

Rep. Earl Rennerfeldt seconded

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass motion for SB2044.

Motion carried with a vote of 22 yeas, 0 neas and 1 absence. Rep Uglem will carry the bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on SB2044.

2005 HOUSE STAN B	DING ( ILL/RE	COMM SOLU	THE ROLL CALL VOTITION NO. $582044$	ES	
House Appropriations Edu	acation a	and Env	rironment		
Check here for Conference Con				<del></del>	
Legislative Council Amendment Num	mber				
Action Taken Do Page	<u>55</u>			<del></del>	
Motion Made By Rep. Brus	ega	yrd.	conded By Rep. Ren	ner(-	eld
Representatives	Yes	No	Representatives	<b>T</b> 7	
Chairman Martinson	X		Rep. Aarsvold	Yes	No
Vice Chairman Brusegaard	X		Rep. Gulleson		
Rep. Rennerfeldt Rep. Wald	X				
Rop. Wald	X			<del>  </del>	
	<del></del>				
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		$\overline{}$			
Total (Yes)		6	No O		
Absent	0				
Floor Assignment	Brus	296	rard		

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

Date: 317.05
Roll Call Vote #:

			Date: March 22, 2005		
		Roll C	Call Vote #:1		<del></del>
2005 HOUSE STAND BILL/RESOLUTIO			ITEE ROLL CALL VOTI SB2044	ES	
House Appropriations - Ful	l Comm	ittee		_	
Check here for Conference Com	mittee				
Legislative Council Amendment Num	nber _	····			
Action Taken DO PASS					
Motion Made By Rep Wald		Se	conded By <u>Rep Rennerfe</u>	<u>ldt</u>	
Representatives	Yes	No	Representatives	Yes	No
Rep. Ken Svedjan, Chairman	X		Rep. Bob Skarphol	X	
Rep. Mike Timm, Vice Chairman	X		Rep. David Monson	X	
Rep. Bob Martinson	X	,	Rep. Eliot Glassheim	X	
Rep. Tom Brusegaard	AB		Rep. Jeff Delzer	X	
Rep. Earl Rennerfeldt	X		Rep. Chet Pollert	X	
Rep. Francis J. Wald	X		Rep. Larry Bellew	X	
Rep. Ole Aarsvold	X		Rep. Alon C. Wieland	X	
Rep. Pam Gulleson	X		Rep. James Kerzman	X	
Rep. Ron Carlisle	X		Rep. Ralph Metcalf	X	
Rep. Keith Kempenich	X				
Rep. Blair Thoreson	X				
Rep. Joe Kroeber	X				
Rep. Clark Williams	X				
Rep. Al Carlson	X			<u> </u>	<u> </u>
Total Yes 22		No	0		
Absent	<del></del>		1		
Floor Assignment Rep Uglem		<del></del>			
If the vote is on an amendment, brief	ly indica	ite inter	nt:		

REPORT OF STANDING COMMITTEE (410) March 23, 2005 6:19 a.m.

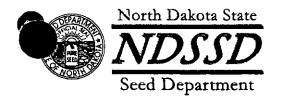
Module No: HR-53-5813 Carrier: Uglem Insert LC: Title:

# REPORT OF STANDING COMMITTEE

SB 2044, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2044 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

SB 2044



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Fargo, ND 58105-5257

Phone: (701) 231-5400 Fax: (701) 231-5401 Web: <u>ndseed.com</u>

#### Ken Bertsch State Seed Commissioner

# Testimony SB 2044

# Senate Agriculture Committee January 13, 2005

Good morning Mr. Chairman and members of the Senate Agriculture Committee. For the record, my name is Ken Bertsch and I serve as State Seed Commissioner and administrator of the State Seed Department. Thank you for the opportunity to testify on SB 2044, which is introduced by the Interim Public Services Committee.

SB 2044 is a culmination of interim study on Chapter 4-09, 4-09.1 and 4-25 of ND Century Code as directed in SCR 4016, passed in the 2003 Legislative Session. The resolution called for study and re-write of outdated language in Seed Department chapters, which is the direction taken by the interim committee.

The primary objective of the re-write is to bring the chapters up-to-date in terms of legal language as advised by Legislative Council (LC). A secondary goal is to provide consistency between the North Dakota code and the Recommended Uniform State Seed Laws (RUSSL). For information purposes, RUSSL language is researched and proposed by the Association of American Seed Control Officials (AASCO), which is the national association comprised of seed regulatory program managers nationwide. This group is leading efforts to set minimum standards, and to standardize language in state seed laws for the purpose of facilitating seed trade and providing for consistent consumer protection. Finally, the Seed Commission provided advice on a number of changes in the bill, which I will point out specifically for your committee.

With your approval, I will provide a section-by-section outline of some of the key changes requested in SB 2044. Considering the extent of the amendments recommended in the bill, I will encourage committee members to raise questions at any point during the testimony.

# Section 1 (beginning page 1, line 9; ending page 6, line 4):

This entire section deals with definitions, all of which are intended to bring our code into a more consistent RUSSL standard. Some of these definitions are new to the code, including 4-09-01.4 (Blend); .5 (Brand); and .19 (Mixture) and were requested additions by our agency in order to better regulate an industry in which all of these seed types are becoming commonplace.

Another new definition suggested by RUSSL is 4-09-01.20.c (Undesirable Grass Seed). This term is becoming common in the industry and is added to expand the definition of restricted noxious weeds found above in part c.



# Section 2 (page 6, lines 5-23):

This section is a nearly identical re-write of language that is presently contained in 4-09-07 regarding Seed Department laboratory facilities. Legislative Council suggested the placement to provide for consistency in language regarding Department facilities. The language also provides for collaboration in sharing of facilities and resources between the Seed Commissioner and North Dakota State University. Code currently refers to State Board of Higher Education regarding approval for the university to collaborate with the Seed Department in sharing of facilities.

#### Section 3 (beginning page 6, line 24; ending page 8, line 8):

The primary change, requested by the Seed Department, is contained on page 7, line 19-24. The Department asks that a per diem be provided for eligible Seed Commission members at a rate of seventy-five dollars per day. This reimbursement rate is common in state government, and now codified for Commissioner's volunteering their time for Department business.

This section is the subject of the fiscal note attached to SB 2044, and is requested to comply with audit difficulties faced by our agency in trying to cover costs in excess of state hotel rates for Commissioner's attending meetings.

Sections 4-9 (beginning page 8, line 9; ending page 11, line 6)

No significant changes.

# Section 10 (beginning page 11, line 7; ending page 13, line 22):

This language is requested by the Seed Department to allow for regulation of seed sold by brand name in North Dakota. Nationwide, seed varieties or blends are often sold as branded products with labels that do not show the pedigree of the seed, a practice that is not allowed in North Dakota. This language will clarify a regulatory issue that often causes some confusion in the state, wherein we attempt to practice enough regulatory flexibility to allow the sale of branded products, while maintaining the integrity of producer protection efforts by requiring the labeling of variety name.

This language will still require that branded products contain the same information required of seed sold by variety name; essentially providing the same level of security to purchaser of all seed sold under the labeling requirements of Chapter 4-09-10.

The language in the remainder of the section is LC or RUSSL related.

#### Sections 11 and 12 (beginning page 13 line 23; ending page17, line 31):

These sections deal with the labeling of vegetable and flower and seed, and are intended to simply provide clarity and standardization with RUSSL.

However, despite our best efforts these sections are still not consistent with RUSSL language and need additional work. The Seed Department recommends that to simplify this effort the bill be amended to include the latest RUSSL copy directly from AASCO. This amendment will provide the necessary labeling guidelines in an area that is primarily associated with seed sold in retail outlets in small quantities, and should be the best long-term option for regulatory needs.

The amendments to Section 11 are attached as Appendix #1, and should be inserted on Page 14, line 1.

The amendments to Section 12 are attached as Appendix #2, and should be inserted on Page 16, line 17.

Section 13 (beginning page 18, line 1; ending page 19, line 24)

The amendments in this section are RUSSL recommendations and are adequate to cover the regulatory needs in this area (by contrast to the vegetable and flower seed sections).

Section 14 (beginning page 19, line 25; ending page 20, line 2):

The only significant change in this section requires that seed transaction records will be kept by the handler or retailer for a period of three years, extended from the current two-year requirement. This is another RUSSL standard being implemented in state seed laws nationwide.

**Section 15 (page 20, lines 3-10):** 

This section extends the tolerances recognized by the Seed Department under Federal Seed Act to June 30, 2005. These tolerances are extended to the implementation date of state law each time a bill is introduced in the state legislature in order to keep the Department codes upto-date with federal laws.

Section 16 (beginning page 20line 11; ending page 23, line 12):

The only significant changes in this section occur in 4-09-14, subsections a, b, c and d.

### Subsection a:

Retains the requirement that all agricultural seed must have a germination test that has been completed within a <u>nine-months</u> of the date stated on the label, and exclusive of the month stated on the label. In other words, if a germination test is completed in January, the germination test is valid for that label until October, a full nine-months beyond the month in which the seed was germ-tested.

This labeling standard (along with those in sub-sections b-d) are consistent with RUSSL language and requirements of surrounding states, and will prove adequate in protecting producers through our regulatory program examinations.

#### Subsection b:

Extends the germination test/labeling requirement for flower, vegetable, native grass and forb seeds to twelve months, exclusive of the test month.

### Subsection c:

Extends the germination test/labeling requirement for cool season lawn and turf grasses to <u>fifteen months</u>, exclusive of test month.



#### Subsection d:

Continues the requirement that tree, shrub, agricultural, flower, wildflower or vegetable seed in hermetically sealed packages has a germination test completed within thirty-six months of the date stated on the label, exclusive of test month.

Sections 17-19 (beginning page 23, line 13; ending page 25, line 6):

All three sections deal with seed labeling permits issued by the Seed Department to seed retailers, and is primarily updated language that conforms to LC or RUSSL standards.

Section 19 contains the only critical/problematic language:

Section 19; page 24, line 28, is intended to clarify that seed protected by PVP, or subject to PVP application processes, is NOT exempt from the labeling requirements of the chapter.

However, the bill must be amended to clarify that the language applies <u>only</u> to farmer- to-farmer sales covered under <u>4-09-15.1.e.</u>

The language in 4-09-15.e <u>currently allows that farmer-to-farmer sales of common seed</u> <u>varieties are exempt from permitting requirements of the chapter</u>. However, PVP protection provides that varieties only be sold with authorization of the owner, or as a class of certified seed.



Section 19, as currently written, could be interpreted to allow farmer-to-farmer transactions regardless of protected status. If not corrected, this language would be in conflict of federal law providing protection to owners of seed varieties through PVP. We ask that Subsection 19, 4-09-15.2 be amended to read:

"A variety for which a certificate plant variety protection has been applied for or issued is not exempt under subsection 1.e."

Sections 20-23 (beginning page 25, line 7; ending page 27, line 12):

All sections contain only updated LC or RUSSL language.

Section 24 (beginning page 27, line 13; ending page 28, line 8):

This section formally completes the re-citing of Seed Arbitration Board code from its former location in 4-09-03.1.

Sections 25 and 26 (page 28, lines 9-29):

Chapter 4-09.1 deals with the Seed Department providing commodity grading services. There are no significant changes in these sections, only updating LC and RUSSL language.

Section 27 (beginning page 28, line 30; ending page 29, line 9):

Contains LC and RUSSL recommendations only.

# Section 28 (beginning page 29, line 10; ending page 30, line 4):

This section relates to sale of seed on contract for delivery, and provides for the contract requirements. Any changes re-align the language in the section are at the suggestion of Legislative Council. However; the exemption provided under 4-25-02.3 (page 30, line 3) is incorrectly inserted in the bill, and must be removed. If left intact, farmer-to-farmer transactions would be exempt from the requirements of the section, which is not the intent of the bill. We ask that Subsection 28, 4-25-02.3 be amended to read:

"A farmer resident of this state is exempt from this section if the farmer sells seed of the farmer's own production."

Section 29 (page 30, lines 5-6):

LC recommended changes.

Section 30 (page 30, lines 9-26):

This section eliminates the bonding requirement for non-resident seed dealers, and clarifies the licensing and permitting process that applies to those agents as requested by the Seed Department.

Section 31 (page 30, lines 27-28):

This section repeals the following sections of Chapter 4-09;

- 4-09-03.1- Seed Arbitration Board section that was re-cited in 4-09-20.2
- 4-09-10.1- Repeals labeling requirements for bagged agricultural seed. This language was termed as duplicative, is already covered in 4-09-10.
- 4-09-14.3- Repeals the codified fee listing that pertains to 4-09-14.2, Seed Labeling fees. This is the final area of Seed Department code that contained references to fees. All other areas are covered under a statement in 4-09-08 providing the Seed Commission authority to set fees, or by the Commissioner through \administrative rulemaking.

Mr. Chairman, this concludes my testimony on SB 2044. I appreciate your attention to this issue and ask for you support for the legislation. I will be happy to answer questions committee members may have.

#### Appendix #1:

## Page 14 - Line 1

- For vegetable seeds in packets as prepared for use in home gardens or household plantings or vegetable seeds in preplanted containers, mats, tapes, or other planting devices:
  - a. Name of kind and variety of seed.
  - b. Lot identification, such as by lot number or other means.
  - c. The calendar month and year the germination test was completed and the statement "Sell by\_\_\_\_\_\_\_", which may be no more than 12 months from the date of test exclusive of the month of test OR the percentage germination and the calendar month and year the test was completed to determine such percentage provided that the germination test must have been completed within 12 months exclusive of the month of test.
  - d. Name and address of the person who labeled said seed or who sells, offers, or exposes said seed for sale within this State.
  - e. For seeds which germinate less than the standard last established by the (state seed law enforcement officer) under this Act:
    - (1) Percentage of germination, exclusive of hard seed;
    - (2) Percentage of hard seed, if present,
    - (3) The words "Below Standard" in not less than 8-point type.
  - f. For seeds placed in a germination medium, mat, tape, or other device in such a way as to make it difficult to determine the quantity of seed without removing the seeds from the medium, mat, tape or device, a statement to indicate the minimum number of seeds in the container.

- For vegetable seeds in containers other than packets prepared for use in home gardens or household plantings and other than preplanted containers, mats, tapes, or other planting devices.
  - a. The name of each kind and variety present in excess of 5 percent and the percentage by weight of each in order of its predominance.
  - b. Lot number or other lot identification.
  - c. For each named vegetable seed:
    - (1) Percentage germination exclusive of hard seed;
    - (2) Percentage of hard seed, if present,
    - (3) The calendar month and year the test was completed to determine such percentages.

Following (1) and (2) the "total germination and hard seed" may be stated as such, if desired.

- d. Name and address of the person who labeled said seed, or who sells, offers or exposes said seed for sale within this State.
- e. The labeling requirements for vegetable seeds in containers of more than one pound shall be deemed to have been met if the seed is weighed from a properly labeled container in the presence of the purchaser.

# Appendix #2:

### Page 16 - Line 17

- For flower seeds in packets prepared for use in home gardens or household plantings or flower seeds in preplanted containers, mats, tapes, or other planting devices:
  - a. For all kinds of flower seeds:
    - (1) The name of the kind and variety or a statement of type and performance characteristics as prescribed in the rules and regulations promulgated under the provisions of this Act.

    - (3) The name and address of the person who labeled said seed, or who sells, offers, or exposes said seed for sale within this State.
    - b. For seeds of those kinds for which standard testing procedures are prescribed and which germinate less than the germination standard last established under the provisions of this Act:
      - (1) Percentage of germination exclusive of hard seeds, and
      - (2) The words "Below Standard" in not less than 8-point type.
    - c. For seeds placed in a germination medium, mat, tape, or other device in such a way as to make it difficult to determine the quantity of seed without removing the seeds from the medium, mat, tape, or device, a statement to indicate the minimum number of seeds in the container.

- 3. For flower seeds in containers other than packets and other than preplanted containers, mat, tapes, or other planting devices and not prepared for use in home flower gardens or household plantings:
  - a. The name of the kind and variety or a statement of type and performance characteristics as prescribed in rules and regulations promulgated under the provisions of this Act, and for wildflowers, the genus and species and subspecies, if appropriate.
  - b. The lot number or other lot identification.
  - c. For wildflower seed only with a pure seed percentage of less than ninety percent:
  - (1) The percentage, by weight, of each component listed in order of their predominance;
    - (2) The percentage by weight of weed seed if present; and
    - (3) The percentage by weight of inert matter.
    - d. For those kinds of seed for which standard testing procedures are prescribed:
      - (1) Percentage germination exclusive of hard or dormant seed;
      - (2) Percentage of hard or dormant seed, if present; and,
      - (3) The calendar month and year that the test was completed to determine such percentages.
    - e. For those kind of seed for which standard testing procedures are not available, the year of production or collection.
    - f. The name and address of the person who labeled the seed or who sells, offers, or exposes the seed for sale within this state.



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### Ken Bertsch State Seed Commissioner

### Testimony SB 2044

# House Agriculture Committee February 24, 2005

Good morning Mr. Chairman and members of the House Agriculture Committee. For the record, my name is Ken Bertsch and I serve as State Seed Commissioner and administrator of the State Seed Department. Thank you for the opportunity to testify on SB 2044, which is introduced by the Interim Public Services Committee.

SB 2044 is a culmination of interim study on Chapter 4-09, 4-09.1 and 4-25 of ND Century Code as directed in SCR 4016, passed in the 2003 Legislative Session. The resolution called for study and re-write of outdated language in Seed Department chapters, which is the direction taken by the interim committee.

The primary objective of the re-write is to bring the chapters up-to-date in terms of legal language as advised by Legislative Council (LC). A secondary goal is to provide consistency between the North Dakota code and the Recommended Uniform State Seed Laws (RUSSL). For information purposes, RUSSL language is researched and proposed by the Association of American Seed Control Officials (AASCO), which is the national association comprised of seed regulatory program managers nationwide. This group is leading efforts to set minimum standards, and to standardize language in state seed laws for the purpose of facilitating seed trade and providing for consistent consumer protection. Finally, the Seed Commission provided advice on a number of changes in the bill, which I will point out specifically for your committee.

With your approval, I will provide a section-by-section outline of some of the key changes requested in SB 2044. Considering the extent of the amendments recommended in the bill, I will encourage committee members to raise questions at any point during the testimony.

# Section 1 (beginning page 1, line 9; ending page 6, line 5):

This entire section deals with definitions, all of which are intended to bring our code into a more consistent RUSSL standards. Some of these definitions are new to the code, including 4-09-01.4 (Blend); .5 (Brand); and .19 (Mixture) and were requested additions by our agency in order to better regulate an industry in which all of these seed types are becoming commonplace.

Another new definition suggested by RUSSL is 4-09-01.20.c (Undesirable Grass Seed). This term is becoming common in the industry and is added to expand the definition and description of restricted noxious weeds found above in part c.

# Section 2 (page 6, lines 6-24):

This section is a nearly identical re-write of language that is presently contained in 4-09-07 regarding Seed Department laboratory facilities. Legislative Council suggested the placement to provide for consistency in language regarding Department facilities. The language also provides for collaboration in sharing of facilities and resources between the Seed Commissioner and North Dakota State University. Code currently refers to State Board of Higher Education regarding approval for the university to collaborate with the Seed Department in sharing of facilities.

# Section 3 (beginning page 6, line 25; ending page 8, line 8):

The primary change, requested by the Seed Department, is contained on page 7, line 19-24. The Department asks that a per diem be provided for eligible Seed Commission members at a rate of seventy-five dollars per day. This rate is approximately the mid-range of reimbursement for state boards and commissions, and will now be codified for Commissioner's volunteering their time for Department business.

This section is the subject of the <u>fiscal note</u> attached to SB 2044, and is requested to comply with audit difficulties faced by our agency in trying to cover costs in excess of state hotel rates for Commissioner's attending meetings.

# <u>Sections 4, 5, 6, 7, 8, and 9</u> (beginning page 8, line 9; ending page 11, line 8)

No significant changes.

# Section 10 (beginning page 11, line 7; ending page 13, line 24):

The only significant language is found on **page 11, line 24** as requested by the Seed Department to allow for regulation of <u>seed sold by brand name</u> in North Dakota. Nationwide, seed varieties or blends are often sold as branded products with labels that do not show the pedigree of the seed, a practice that is not allowed in North Dakota. This language will clarify a regulatory issue that often causes some confusion in the state, wherein we attempt to practice enough regulatory flexibility to allow the sale of branded products, while maintaining the integrity of producer protection efforts by requiring the labeling of variety name.

This language will still require that branded products contain the same information required of seed sold by variety name; essentially providing the same level of security to purchaser of all seed sold under the labeling requirements of Chapter 4-09-10.

The language in the remainder of the section is LC or RUSSL related.

#### Sections 11 and 12 (beginning page 13 line 25; ending page 18, line 19):

These sections deal with the labeling of vegetable and flower and seed, and are intended to simply provide clarity and standardization with RUSSL.

#### Section 13 (beginning page 18, line 20; ending page 20, line 12)

The amendments in this section are RUSSL recommendations and are adequate to cover the regulatory needs in this area.

# Section 14 (beginning page 20, line 13; ending page 20, line 21):

The only significant change in this section requires that seed transaction records will be kept by the handler or retailer for a period of <u>three years</u>, extended from the current two-year requirement. This is another RUSSL standard being implemented in state seed laws nationwide.

# Section 15 (page 20, lines 22-29):

This section extends the tolerances recognized by the Seed Department under Federal Seed Act to June 30, 2005. These tolerances are extended to the implementation date of state law each time a bill is introduced in the state legislature in order to keep the Department code up-to-date with federal laws.

# Section 16 (beginning page 20, line 30; ending page 23, line 28):

The only significant changes in this section occur in <u>4-09-14</u>, <u>subsections a, b, c and d.</u> (beginning on page 21, line 5)

#### Subsection a:

Retains the requirement that all agricultural seed must have a germination test that has been completed within a <u>nine-months</u> of the date stated on the label, and exclusive of the month stated on the label. In other words, if a germination test is completed in January, the germination test is valid for that label until October, a full nine-months beyond the month in which the seed was germ-tested.

This labeling standard (along with those in sub-sections b-d) are consistent with RUSSL language and requirements of surrounding states, and will prove adequate in protecting producers through our regulatory program examinations.

# Subsection b:

Extends the germination test/labeling requirement for flower, vegetable, native grass and forb seeds to twelve months, exclusive of the test month.

#### Subsection c:

Extends the germination test/labeling requirement for cool season lawn and turf grasses to fifteen months, exclusive of test month.

#### Subsection d:

Continues the requirement that tree, shrub, agricultural, flower, wildflower or vegetable seed in hermetically sealed packages has a germination test completed within thirty-six months of the date stated on the label, exclusive of test month.

# Sections 17, 18 and 19 (beginning page 23, line 29; ending page 25, line 23):

All three sections deal with seed labeling permits issued by the Seed Department to seed retailers, and is primarily updated language that conforms to LC or RUSSL standards.

# Sections 20, 21, 22 and 23 (beginning page 25, line 24; ending page 27, line 27):

All sections contain only updated LC or RUSSL language.

Section 24 (beginning page 27, line 28; ending page 28, line 24):

This section formally completes the re-citing of Seed Arbitration Board code from its former location in 4-09-03.1.

# Sections 25 and 26 (beginning page 28, line 25; ending page 29, line 14):

These sections reference Chapter 4-09.1, dealing with the Seed Department providing commodity grading services. There are no significant changes in these sections, only updating LC and RUSSL language.

# **Section 27** (page 29, lines 15-25):

Contains LC and RUSSL recommendations to improve language in Chapter 4-25, State Seed Laws.

# Section 28 (beginning page 29, line 26; ending page 30, line 18):

This section relates to sale of seed on contract for delivery, and provides for the contract requirements. Any changes re-align the language in the section are at the suggestion of Legislative Council.

# Section 29 (page 30, lines 19-22):

LC recommended changes.

#### Section 30 (beginning page 30, line 23; ending page 31, line10):

This section eliminates the bonding requirement for non-resident seed dealers, and clarifies the licensing and permitting process that applies to those agents as requested by the Seed Department.

# **Section 31** (page 31, lines 11-12):

This section repeals the following sections of Chapter 4-09:

- 4-09-03.1- Seed Arbitration Board section that was re-cited in 4-09-20.2
- 4-09-10.1- Repeals labeling requirements for bagged agricultural seed. This language was termed as duplicative, is already covered in 4-09-10.
- 4-09-14.3- Repeals the codified fee listing that pertains to 4-09-14.2, Seed Labeling Fees. This is the final area of Seed Department code that contained references to fees. All other areas are covered under a statement in 4-09-08 providing the Seed Commission authority to set fees, or by the Commissioner through administrative rulemaking.

Mr. Chairman, this concludes my testimony on SB 2044. I appreciate your attention to this issue and ask for you support for the legislation. I will be happy to answer questions committee members may have.