

2009 HOUSE AGRICULTURE

HB 1326

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1326

House Agriculture Committee

☐ Check here for Conference Committee

Hearing Date: January 29, 2009

Recorder Job Number: 8099

Committee Clerk Signature

*Re Mae Kuehn*

Minutes:

**Representative Berg, Sponsor:** This bill will create a tremendous opportunity for North Dakota, especially the beef industry. The problem we have in agriculture is that all of our products are commoditized. As a result we get paid if we have premium wheat or soybeans, etc. We get commodity price. Perception is reality. The reality here is if you can distinguish a commodity from all the rest, it creates new opportunity. How do you distinguish it? There are two ways.

1. Marketing
2. Honesty

When I was at a restaurant, they had chicken on the menu and also free-range chicken for a few dollars more. As I think about it, we have chicken in a controlled environment, getting a well-balanced diet in a disease-free area or the chickens we had in Hettinger were running around after grasshoppers, picking through cow manure, having the dog chase them. Those are free-range chickens. So clearly the marketers were able to market this as something of more value if it is a free-range chicken. The honest difference is I think ND Beef provides a better product. What this bill does, if we have a beef processor in North Dakota that would build a plant or even a producer that wants to sell to a foreign market, they may decide to

distinguish this meat separately. So going into some of those markets and promoting it different than all the other commodities that are in that market. If someone wanted to do that with beef, this bill would enable them to do it. It doesn't put on any strings or requirements. This would be permissive legislation that would allow the Board of Animal Health, through the Ag. Dept., to go out and verify that this meets those standards. If there is a cost to it, they bill back the person that's requesting this verification. Commissioner Johnson and I had a discussion earlier. The way the bill is worded there are a couple of references that we'd like to have legislative council take a look at before you act on the bill. Line 8 "At the request of the beef producer" but we may also be talking about a beef processor. Line 10, the question is "established" or "claimed" by the producer. If the committee could hold this until next week, we'll meet with legal staff to make sure this is addressing what we intended to do.

**Representative Wall:** Why limit to certification of cattle?

**Representative Berg:** The beef industry is a key industry. Whatever the committee thinks, if there is an opportunity. There's been all kinds of ideas on how to distinguish our products. Rather than for us as government saying this is what would be worth a premium, we're really saying that whoever is creative producing cattle or processing cattle and can come up with an angle that will work and we'll work with the State of North Dakota to make sure that is what consumers get.

**Representative Wall:** Do we have product branding going on now?

**Representative Berg:** Yes. One of the most successful is the Angus Beef brand. People are paying a premium for the Angus brand.

**Roger Johnson, Agriculture Commissioner: (Written testimony attached #1 and article relating to market potential for US Beef in Korea)**

What really triggered this bill were the market opportunities in Korea. As far as changes to the bill, you might want to think about changing "beef" to "livestock." The intent here is that we want a simple system that will allow an impartial entity such as the Board of Animal Health to certify as to a claim that is made by a producer. We would have an independent entity that would certify that the standards that are claimed are in fact being met. There are some opportunities to get into the Korean market. The Koreans are interested in building a plant and cooperating with an entity in state. The Korean consumers are fairly fickle. They are very concerned about claims. They would prefer to have a direct link back to the producer. They would prefer not to buy from the meat packers. This bill is intended to facilitate that.

**Bill Price, Rancher & Feedlot Operator:** As a producer we're not so concerned about what we have to do. We're already doing it as far as protocol for our shots. What is going into our feed we're already monitored. We want to start dealing with companies internationally; that they recognize the state's stamp of approval. We're looking for an approval from the state with their stamp like South Dakota has. It means a lot going overseas. The Korean company would like to build a processing plant here. They have started the company here in Bismarck so they are listed right now. It's called FK Corporation USA. They would like to see a stamp of approval from the state of ND. I visited with Jay Mattern, Chairman of the ND Feeder Council. He sees no problem with this. Visiting last week in Korea, it is a different culture. We did go through meat markets and packing plants. We did see Australia and Mexico there. Your brands would be listed over there as ND producer.

**Chairman Johnson:** Closed the hearing

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1326

House Agriculture Committee

☐ Check here for Conference Committee

Hearing Date: February 5, 2009 (**Committee Work**)

Recorder Job Number: 8811 (10'30")

Committee Clerk Signature

*R. Mae Kueh*

Minutes:

**Representative Froelich: (Brought in amendments.)** There was some discussion the day of the hearing about the producers. The Ag Dept. wanted to know how to handle the processor. If the livestock processor wants to be certified, he can request through the Board of Animal Health. All we've done is add the livestock processor. It doesn't do any good to have a livestock producer certify his livestock and then take them to a facility that doesn't have a way to certify. We've left out a whole step.

**Representative Boe:** Moved the amendment

**Representative Wall:** Seconded.

Voice vote taken on amendment and passed.

**Representative Froelich moved Do Pass as amended.**

**Representative Boe seconded.**

A Roll Call vote was taken on Do Pass as amended. **Yes: 12, No: 0, Absent: 1,**

(Representative Brandenburg).

**Representative Schatz will carry the bill.**

**FISCAL NOTE**  
**Requested by Legislative Council**  
02/10/2009

Amendment to: HB 1326

**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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$4,600	\$0	\$0
Expenditures	\$0	\$0	\$0	\$4,600	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The Board of Animal Health would provide inspection and verification services to certify that livestock has been raised and processed according to certain standards.

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

The bill provides for the Board to establish and collect fees for this service. This fiscal note assumes that the fees would closely approximate the costs of providing the service and that ten producers and two processors would request such services during the 2009-11 biennium.

**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.*

Based on the above assumptions the revenues are estimated to be \$4,600 in the 2009-11 biennium.

**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.*

Based on the above assumptions the expenditures are estimated to be \$4,600 in the 2009-11 biennium.

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

The bill provides for a continuing appropriation.

<b>Name:</b>	Jeff Weispfenning	<b>Agency:</b>	Agriculture
<b>Phone Number:</b>	328-4758	<b>Date Prepared:</b>	02/10/2009

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/13/2009

Bill/Resolution No.: HB 1326

**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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$2,300	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$2,300	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The Board of Animal Health would provide inspection and verification services to cattle producers to certify that cattle have been raised according to certain standards.

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

The bill provides for the Board to establish and collect fees for this service. This fiscal note assumes that the fees would closely approximate the costs of providing the service and that ten producers would request such services during the 2009-11 biennium.

**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.*

Based on the above assumptions the revenues are estimated to be \$2,300 in the 2009-11 biennium.

**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.*

Based on the above assumptions the expenditures are estimated to be \$2,300 in the 2009-11 biennium.

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

The bill provides for a continuing appropriation.

<b>Name:</b>	Jeff Weispfenning	<b>Agency:</b>	Agriculture
<b>Phone Number:</b>	328-4758	<b>Date Prepared:</b>	01/21/2009

VR  
2/5/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1326

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 36-01 of the North Dakota Century Code, relating to requested certification by livestock producers and processors; and to provide a continuing appropriation.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1.** A new section to chapter 36-01 of the North Dakota Century Code is created and enacted as follows:

**State board of animal health - Certification of livestock - Fees - Continuing appropriation.**

1. a. At the request of a livestock producer, the board shall provide inspection and verification services for the purpose of certifying that livestock have been or are being raised according to standards and protocols articulated by the producer.
- b. At the request of a livestock processor, the board shall provide inspection and verification services for the purpose of certifying that the meat products and manner of processing meet or exceed standards, descriptions, or specifications articulated by the processor.
- c. The board shall determine the nature and scope of the inspection and verification services necessary to provide the certification requested under this subsection.
2. The board may establish and charge fees for the requested services. The board shall forward all moneys received under this section to the state treasurer for deposit in the agriculture commissioner's operating fund."

Renumber accordingly



Date: 1226 2/3/09

Roll Call Vote #: \_\_\_\_\_

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1326

House **Agriculture** Committee☐ Check here for Conference Committee

Legislative Council Amendment Number 90738.0101

**Action Taken**      ☐ **Do Pass**      ☐ **Do Not Pass**      ☐ **Amended**

Motion Made By Rep. Boe Seconded By Rep. Wall

[illegible]

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

**Absent** \_\_\_\_\_

**Bill Carrier**

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

Add livestock processor

Date: 2/5/09Roll Call Vote #: 12009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1326House Agriculture Committee☐ Check here for Conference CommitteeLegislative Council Amendment Number 90738-0101Action Taken ☒ Do Pass ☐ Do Not Pass ☒ AmendedMotion Made By Rep. Froelich Seconded By Rep. Boe

Representatives	Yes	No	Representatives	Yes	No
Dennis Johnson, Chair	<input checked="" type="checkbox"/>		Tracy Boe	<input checked="" type="checkbox"/>	
Mike Brandenburg, Vice Chair	<input checked="" type="checkbox"/>		Rod Froelich	<input checked="" type="checkbox"/>	
Wesley R. Belter	<input checked="" type="checkbox"/>		Richard Holman	<input checked="" type="checkbox"/>	
Joyce M. Kingsbury	<input checked="" type="checkbox"/>		Phillip Mueller	<input checked="" type="checkbox"/>	
David S. Rust	<input checked="" type="checkbox"/>		Benjamin A. Vig	<input checked="" type="checkbox"/>	
Mike Schatz	<input checked="" type="checkbox"/>				
Gerry Uglem	<input checked="" type="checkbox"/>				
John D. Wall	<input checked="" type="checkbox"/>				

Total (Yes) 12 No 0Absent 1Bill Carrier Rep. Schatz

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

**REPORT OF STANDING COMMITTEE**

**HB 1326: Agriculture Committee (Rep. D. Johnson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1326 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 36-01 of the North Dakota Century Code, relating to requested certification by livestock producers and processors; and to provide a continuing appropriation.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1.** A new section to chapter 36-01 of the North Dakota Century Code is created and enacted as follows:

**State board of animal health - Certification of livestock - Fees - Continuing appropriation.**

1.
  - a. At the request of a livestock producer, the board shall provide inspection and verification services for the purpose of certifying that livestock have been or are being raised according to standards and protocols articulated by the producer.
  - b. At the request of a livestock processor, the board shall provide inspection and verification services for the purpose of certifying that the meat products and manner of processing meet or exceed standards, descriptions, or specifications articulated by the processor.
  - c. The board shall determine the nature and scope of the inspection and verification services necessary to provide the certification requested under this subsection.
2. The board may establish and charge fees for the requested services. The board shall forward all moneys received under this section to the state treasurer for deposit in the agriculture commissioner's operating fund."

Renumber accordingly

2009 SENATE AGRICULTURE

HB 1326

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1326

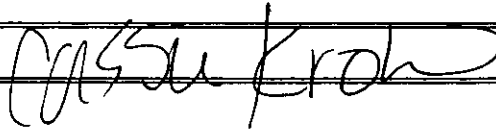
Senate Agriculture Committee

☐ Check here for Conference Committee

Hearing Date: March 6, 2009

Recorder Job Number: 10389

Committee Clerk Signature



Minutes:

**Sen. Flakoll** opened the hearing on HB 1326, a bill relating to requested certification by livestock producers and processors. All members (7) were present.

**Rep. Froelich**, district 31, testified in favor of the bill. Went over the bill with committee (0:17-5:29)

**Sen. Behm**- if you sell an animal are they taking your word for it or are they taking blood samples or what to check this?

**Rep. Froelich**- you can give them shots, they don't want implants in them or antibiotics. We take them to the vet supply that we buy the vaccine from and they give us a certificate saying that this was told to us.

**Sen. Taylor**, district 7, testified in favor of the bill.

**Sen. Taylor**- this is not necessarily looking at natural but that is something that can be certified but I am thinking with the market that we are looking at has to do with the major concerns they have, they are concerned about the age and when the shots have been given. Many places just see value with a government stamp of approval.

**Chuck Fleming**, Marketing Director for the ND Dept of Agriculture, testified in favor of the bill. See attached testimony, attachment #1.

**Julie Ellingson**, ND Stockmen's association, testified in favor of the bill.

**Julie Ellingson**- We to would like to go on record supporting this bill.

No opposition to the bill.

Sen. Flakoll closed the hearing.

**Sen. Klein** motioned for a do pass and to be rerefered to appropriations and was seconded by

**Sen. Wanzek**. Roll call vote 7 yea 0 nay 0 absent. **Sen. Taylor** was designated to carry the bill to the floor.

Date: March 6, 2009  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1321

**Senate Agriculture**

☐ Check here for Conference Committee

## Committee

Legislative Council Amendment Number

### Action Taken

~~Do Pass refer 2 Apps.~~

**Motion Made By**

Klein

**Seconded By**

Wanzer

[illegible]

**Total (Yes)**

(Yes) 7

No

**Absent**

D

### Floor Assignment

Sen. Taylor

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

**REPORT OF STANDING COMMITTEE (410)**  
March 6, 2009 1:49 p.m.

**Module No: SR-39-4247**  
**Carrier: Taylor**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

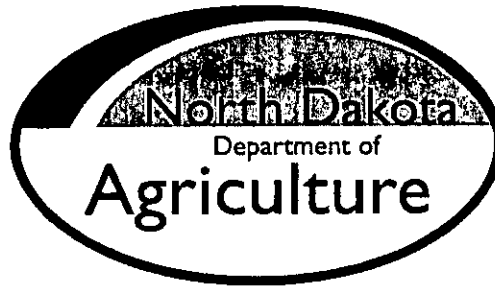
**HB 1326, as engrossed: Agriculture Committee (Sen. Flakoll, Chairman) recommends**  
**DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).** Engrossed HB 1326  
was placed on the Fourteenth order on the calendar.



2009 TESTIMONY

HB 1326

Roger Johnson  
Agriculture Commissioner  
www.agdepartment.com



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1/29/09  
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**Testimony of Roger Johnson  
Agriculture Commissioner  
HB 1326  
House Agriculture Committee  
Peace Garden Room  
January 29, 2009**

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Chairman Johnson and members of the House Agriculture Committee, I am Agriculture Commissioner Roger Johnson. I am here today in support of HB 1326 which, at the request of a beef producer, would allow the Board of Animal Health to provide inspection and verification services to a beef producer for the purpose of certifying that cattle have been or are being raised according to standards and protocols established by the producer. It also allows the Board of Animal Health to establish and charge fees for the requested services.

If this bill is passed, producers requesting certification would have an advantage when marketing their product to customers that are sensitive to or have requirements of how cattle are produced, fed, and handled. One important example of this marketing advantage is the South Korean market.

Our office has been active in promoting beef products to South Korea. I was part of a North Dakota trade team traveling to South Korea in 2008 and there is no question that there are tremendous opportunities for North Dakota to sell beef to Korea. While the South Korean beef market has been politically volatile, the demand for U.S. beef now appears very strong. Attached is an article written by Blaine Harden of the Washington Post Foreign Service dated Wednesday, December 10, 2008, illustrating the change in South Korean consumer sentiment.

The current beef trade agreement with South Korea requires that all U.S. beef exported to South Korea be from cattle slaughtered before the age of 30 months. The requirement is believed to reduce the risk of mad cow disease, has bolstered consumer confidence and is dramatically increasing demand.

In September of 2008 our office received a request from South Korea to help them source twenty-eight containers of various cuts of North Dakota beef. They wanted that amount EACH month. Of course, North Dakota is not currently able to consistently supply such amounts.

My office and other state and federal officials have also been working with another South Korean company interested in establishing a joint venture to build a plant in North Dakota to supply the South Korean market. They spent a considerable amount of time in our state and are establishing an office in Bismarck. We have provided them with the 1997 study completed to determine the feasibility of building a meat processing plant in the state. This company appears to have the knowledge and financial resources to make this plant a reality. They believe that by having joint ownership, they will have the confidence of the South Korean people, who are wary of the large conglomerate U.S. meat packing companies.

The beef market is highly competitive. This bill, allowing the state to verify and certify standards and protocols, could provide important assurances to not only the South Korean market, but other foreign and domestic niche markets.

Chairman Johnson and committee members, I urge a "do pass" on HB 1326 and would be happy to answer any questions.

# Article relating to market potential for US Beef in Korea

By Blaine Harden  
Washington Post Foreign Service  
Wednesday, December 10, 2008; A20

*Same handover  
given to  
Senate.*

SEOUL, Dec. 9 -- South Korea's beef over U.S. beef is finally over.

So are the months of anti-beef rallies and riots that paralyzed downtown Seoul this year and cost South Korea an estimated \$2.5 billion. So are the human chains of concerned housewives surrounding meat lockers containing U.S. beef. So are the beef-focused apologies of South Korean President Lee Myung-bak, whose dreadful poll numbers forced him to beg voters to forgive him for failure to "fathom the people's mind."

Now, in the winter of their consumerism, the people have changed their mind.

Low-priced U.S. beef has appeared in supermarkets here in recent days, after a decision by three major retailers to start selling it again, and the reaction has been brisk business and no political fuss. Fifty tons of U.S. beef disappeared from shelves the first day it was offered for sale.

"It is our national character to get upset easily and then to forget all about it," said Park Eun-ah, 48, a romance novelist who lives in Seoul and Paris.

Park was at the meat counter at E-Mart, a large supermarket, where he had just purchased a package of barbecue beef imported from the United States. Park noted with pleasure that it was much cheaper than beef from South Korea.

Although the hysteria over U.S. beef is gone, a bitter aftertaste remains. The JoongAng Daily, a major newspaper here, said in a recent editorial that the episode had tarnished South Korea's international image.

The protests "showed that many people in this country lack scientific commonsense and chose to believe scurrilous stories instead," the paper said. "Sensationalism and distortion snatched the ground from the feet of scientists and experts."

Trouble began in April after Lee decided during a visit to Washington to lift a ban imposed in 2003, when the first U.S. case of mad cow disease was confirmed in Washington state.

By agreeing to allow U.S. beef into his country again, Lee intended to remove a major obstacle to congressional approval of a free trade agreement that experts said could increase South Korea-U.S. trade by about \$20 billion a year.

His decision backfired. Long-standing worry about U.S. beef exploded into a formidable grass-roots political movement. Night after night, as spring turned into summer, thousands of middle-class parents brought their children to a central square in Seoul, where they held up candles and grumbled about American beef.

"I am afraid of American beef," Cha Yoon-min, 13, told The Washington Post in June after attending a protest with his mother, a lawyer. "I could study hard in school. I could get a good job, and then I could eat beef and just die."

A television news program aired thinly sourced -- and later, scientifically refuted -- claims that Koreans carry a gene making them more susceptible to mad cow disease than Americans. Rumors spread that school lunch programs would soon be the dumping ground for deadly U.S. beef.

Leftist labor groups and political parties that had been defeated by Lee's party in a 2007 election seized on the protests -- and on ambient anti-American sentiment in South Korea -- to embarrass the president and blunt his authority. Their organizational skills and money helped fuel the candlelight rallies.

On many nights, the rallies turned into violent confrontations with police. When candles had burned out and children had gone home with their parents, a hard-core group of protesters often attacked riot-control buses, slashing tires and smashing windows.

Lee's government was weakened. His entire cabinet offered to resign, and several senior advisers quit. Under pressure, Lee demanded a new deal with the United States that requires that all U.S. beef exported to South Korea come from cattle slaughtered before they are 30 months old, which is believed to reduce the risk of mad cow disease.

In addition, the president apologized twice on national television.

Although many protesters said they would not be content until Lee resigned, their major demand had been met. Rallies in Seoul petered out over the summer.

At E-Mart, signs above the meat counter explain why U.S. beef is safe, nutritious and delicious.

On a recent morning, some shoppers seemed to need reassurance. They read the signs carefully and asked butchers if the beef was really safe. Many shoppers, though, simply grabbed U.S. beef and moved on.

Shin Mija, 40 was caught in the middle. She was happy to be able to buy U.S. beef again but said her two teenagers would not eat it. During the spring and summer, she said, her children had been convinced by protesters that American beef would give them mad cow disease.

Shin bought it anyhow. She said she would tell her kids it came from Australia.

*Special correspondent Stella Kim contributed to this report.*

Roger Johnson  
Agriculture Commissioner  
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Attachment #1

Phone (701) 328-2231  
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Fax (701) 328-4567

600 E Boulevard Ave., Dept. 602  
Bismarck, ND 58505-0020  
*Equal Opportunity in Employment and Services*

**Testimony of Chuck Fleming**  
**HB 1326**  
**Senate Agriculture Committee**  
**Roosevelt Room**  
**March 6, 2009**

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Chairman Flakoll and members of the Senate Agriculture Committee, I am Chuck Fleming, Marketing Director for the North Dakota Department of Agriculture. I am here today in support of HB 1326, which would allow the Board of Animal Health to provide inspection and verification services to a beef producer for the purpose of certifying that cattle have been or are being raised according to standards and protocols established by the producer. It also allows the Board of Animal Health to establish and charge fees for the requested services.

If this bill is passed, producers requesting certification would have an advantage when marketing their product to customers that are sensitive to or have requirements of how cattle are produced, fed, and handled. One important example of this marketing advantage is the South Korean market.

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