HB1443 In Support of Forestry Plates

Mr. Chairman and members of the committee,

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My name is Aaron McWilliams. It's great to be back in a committee room again here in our beautiful capital. This bill addresses the tiny, but growing, forestry industry in our state and the transportation of forestry products under farm plates.

Here's a little background, my wife Sara and I run a full-time custom sawmill in Hillsboro. We bought our first tiny little mill, not much better than a harbor freight version, with the magic covid money that appeared in our account in 2020. With that, we broke into the extremely niche market of axe throwing target boards. We quickly outgrew our tiny mill, sold it and upgraded. In the winter of 2023 we proved that with a big enough coat, hat, gloves and desperation you can in fact make a living at 20 below with a fully manual sawmill. It's terrible,..there are better ways to make a living.

Being determined to never do that again we upgraded our mill to a fully hydraulic commercial mill and last spring we added onto our shop to now have over 5,000 sq ft under cover and mostly out of the wind. I dream of heat, one day.....

We now supply over 50 axe throwing venues throughout the country ranging from Washington, Texas, North Carolina and many in between including nearly all venues in North Dakota, South Dakota and Minnesota. We also recycle old cedar utility poles from utility companies and sell the resawn lumber to contractors or homeowners around the region.

Our cottonwood axe board logs come from shelter belts both on the Minnesota and North Dakota side south of Fargo and occasionally around the Grand Forks area. We buy them from a Minnesota based logger, who delivers with a center mount crane using farm plates and delivering within 150 miles of his home.

Currently, our primary log supplier is transporting logs to us under a farm plate in Minnesota, he resides less than 150 miles away from our location. If I was contracted to remove a tree row 1 mile away from me I couldn't, without a CDL, transport the logs to the mill. My Minnesota based log supplier 132 miles away from me would have to drive up and transport them under his Minnesota farmer's plate. That's a little silly. If the farm was just a few miles further, I wouldn't be able to get them at all.

Getting this bill passed allows for greater and easier access for small businesses in North Dakota to get their forestry products to market. I had an opportunity to buy a mile's worth of logs about 90 miles west of me but couldn't find anyone to transport it. They got pushed into a pile and burned. This would have been a year's supply for us and allowed us to grow faster.

My log supplier is in his late 60's, what happens when he can't do it anymore and I can't transport local logs to my mill?

In many states, such as Minnesota, Vermont, Wisconsin, Main, New Hampshire, Michigan and others, forestry products are included under the definition of agricultural commodities thus allowing log trucks to fall under the classification of a farm truck. It exists this way in those states in one of two ways.

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In the case of Minnesota it explicity states "loggers who harvest and hauls forest products".

Minnesota Minn. Stat. § 168.002, Subd. 8

and may be used by the owner thereof, either farmer or logger who harvests and hauls forest products only, to transport logs, pulpwood, lumber, chips, railroad ties and other raw and unfinished forest products from the place of production to an intermediate or final assembly point or transfer yard or railhead, which transportation may be continued by another farm truck to a place for final processing or manufacture located within 200 miles of the place of production and all of which is deemed to constitute the first haul of unfinished wood products; provided that the owner and operator of the vehicle transporting planed lumber shall have in immediate possession a statement signed by the producer of the lumber designating the governmental subdivision, section, and township where the lumber was produced and that this haul, indicating the date, is the first haul thereof. The licensed vehicles may also be used by the owner thereof to transport, to and from timber-harvesting areas, equipment and appurtenances incidental to timber harvesting, and gravel and other road-building materials for timber haul roads.

The federal definition of agricultural commodities specifically list forestry as an agricultural commodity. Currently North Dakota does not specifically list forestry in it's definition.

AGRICULTURAL MARKETING ACT OF 1946

SEC. 207. ø7 U.S.C. 1626; When used in this title, the term "agricultural products" includes agricultural, horticultural, viticultural, and dairy products, livestock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured product thereof, and the term "State" when used in this chapter 5 shall include the Virgin Islands and Guam.

I've spoken with Agriculture Commissioner Doug Goehring numerous times regarding this issue. His opinion was to tackle the issue from two fronts. The first with a definition bill, and the second with a transportation bill. It's my understanding that Rep. Mike Bletz looked into drafting a bill to add the language into the agricultural definition but was informed that the bill would be "complicated" as the definition existed in multiple areas of the century code. So that bill didn't get drafted, Rep. Ruby was kind enough to take my call and have a bill drafted for the transportation side.

It's a simple bill but I'm a little concerned about the language on page 2 line 2 of the bill where it references "bona fide" farmer.

Under our current definition of "bona fide" farmer those who would use this for forestry products are likely not a traditional farmer as well. By maintaining a requirement to meet the same standards as existing farm plates I'm not sure that we've expanded the opportunities as this bill is intended to do. Unless the phrase in subsection 2 of page 2 line 9 "paragraph 1" is referencing a different section of code and I'm miss understanding the internal reference.

Thank you for your time,

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If I'm correct, I believe a simple amendment to insert language would clarify the bill.

owned, or leased for at least one year by a bona fide resident farmer <u>or person directly</u> engaged in sourcing unfinished wood products, who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire.