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Testimony of Matt Perdue North Dakota Farmers Union Before the Senate Agriculture and Veterans Affairs Committee January 16, 2025

Chairman Luick and members of the committee,

Thank you for the opportunity to testify on Senate Bill No. 2161. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's (NDFU) members.

NDFU believes checkoffs provide valuable research, promotion and market development. We appreciate the North Dakota Barley Council and North Dakota Wheat Commission making time to meet with our board of directors in November. NDBC and NDWC made a strong case for the importance of increased investment in the two checkoffs. We generally support the proposed increases in SB 2161.

However, our member-driven Policy & Action opposes the use of checkoff funds for political or lobbying activities. NDCC 4.1-13-23 requires that "at least two mills" collected from the wheat checkoff be distributed to trade associations for "activities related to domestic wheat policy issues, wheat production, promotion, and sales." We think it is important to acknowledge the implications this bill could have for checkoff-funded lobbying activities.

Our leadership wants to be a good partner to the North Dakota Wheat Commission, the North Dakota Barley Council, and the two trade associations. We do not wish to harm the existing financial relationship between the wheat checkoff and the associations. Our leadership agreed to support this legislation if the additional funds generated by the increase to the wheat checkoff are dedicated to research, education and market development activities.

Attached is a proposed amendment for the committee's consideration. We encourage the committee to strike the words "at least" from NDCC 4.1-13-23. We will gladly support SB 2161 if the committee adopts the amendment.

The NDWC, NDBC, and the two trade associations are important partners for our organization. We all have a shared mission to support North Dakota agriculture, and we collaborate on a variety of initiatives. We look forward to continuing that collaboration.

Thank you for the opportunity to testify. I will stand for any questions.



Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO SENATE BILL NO. 2161

AMENDMENT. Section 4.1-13-23 of the North Dakota Century Code is amended and reenacted as follows:

4.1-13-23. Contract with trade associations.

The commission shall expend an amount at least equal to that raised by two mills of the assessment provided for in section 4.1-13-15 to contract for activities related to domestic wheat policy issues, wheat production, promotion, and sales. The contracts may be with no more than two trade associations that are incorporated in this state and which have as their primary purpose the representation of wheat producers. The contracts must require that any trade association receiving money under this section pay from that money all dues required as a condition of the trade association's membership in any national trade association. The contracts must prohibit any trade association receiving money under this section from eliminating any dues required as a condition of membership in that trade association or from reducing such dues below the amount required for membership as of January 1, 2005.