



## **Background**

In 1997, the North Dakota State Legislature created the North Dakota Dry Pea and Lentil Council (NDDPLC). The Council oversees assessing a 1% net value check-off on dry peas, lentils, chickpeas, fava beans and lupins grown or sold in North Dakota. The primary goal of the Council is to support the pulse crop industry in the state by funding research, government, and education programs and facilitating market development efforts.

Since the creation of the Council, the North Dakota pulse industry has increased dramatically. Processing capacity since 1997 has increased from one processor/buyer to more than 10 processing facilities and over 100 first purchasers for pulse crops in North Dakota. Value added processing—including flours, protein, fibers, and starch has created additional opportunities as an ingredient in both human and pet food markets. Processing in North Dakota has ventured into these value-added markets with the addition of facilities specializing in utilizing pulse fractions in product development.

Pulse crops remain a largely exported commodity. Increased emphasis has been placed on more products being utilized domestically and as an ingredient in the value-added space. Pulse crop acreage reached historic levels in 2017 due to increased marketing opportunities. Since that time, challenges with international trade partners have lowered acres in the region due to high stocks on hand and lower prices. However, in 2020 the pulse industry did see prices begin to climb as new markets emerged. With an increased need for all types of protein around the world, it is expected that pulse acreage in the North Dakota and across the U.S. will again reach increased levels. Even with a significant drop in acres, North Dakota producers continue to play a significant role in the U.S. pulse industry. North Dakota is ranked number two in the United States in production of pulse crops. The northern tier region (which includes Montana & North Dakota) accounts for 80% percent of the total U.S. pulse production. Agronomic benefits such as reducing input costs through nitrogen fixation, improving soil health, and creating a break in disease cycles may also influence producers to plant more pulses in the future.

## **Organization**

The Council consists of five producers from districts across North Dakota. Each producer is elected to serve a three-year term. The five elected growers are elected in district elections by county representatives.

District IV	Kim Saueressig, Chairman, McClusky, ND
District III	Bob Finken, Vice Chair, Douglas, ND
District I	Greg Busch, Columbus, ND
District II	Jeremy Huether, Mott, ND
District V	Kevin Wolsky, Carrington, ND

The Council has a partnership with the Northern Pulse Growers Association (NPGA) to carry out activities in the areas of market development and research coordination and to facilitate education and discussion opportunities with lawmakers and government agencies on behalf of pulse growers Council members also serve on NPGA committees to ensure funds are awarded and distributed to benefit producers of North Dakota.

For Fiscal Year 2023-2024, the Council contributed the following amounts to the NPGA:

- Domestic Marketing: \$103,824
- Consumer Education: \$123,600
- Foreign Market Development: \$31,083
- Government Education: \$57,159
- Research: \$372,492

The Council is a member of a coalition of eight grower and trade organizations that comprise the USA Dry Pea and Lentil Council (USADPLC, also called USA Pulses). The Council contracts with the USADPLC for work in the areas of domestic and international market development, government and industry education and national research coordination. The Council also represents the producers of North Dakota with three seats on the USADPLC Board of Directors and representation on USADPLC's marketing, research and information/government education committees.

For Fiscal Year 2023-2024, the Council contributed the following amounts to the USADPLC:

- Domestic Marketing: \$150,798
- International Marketing: \$69,907
- Research: \$136,940
- American Pulse Association: \$93,258
- Government Programs: \$95,764

In addition, the Council contracts with Clearwater Communications to provide staff to administer the collection of assessments, the processing of refunds and to perform the day-to-day duties of the Council. Clearwater Communications provides the North Dakota Dry Pea & Lentil Council with an account executive to carry out the policies as put forth by members of the Council.

The Council maintains consistent communication with elevators, processors, and growers regarding the pulse check-off program. Through its investment in NPGA and USADPLC promotional efforts, the Council educates pulse producers on the important role check off dollars play in the overall success of the industry. In addition, the Council works to expand the list of first purchasers and promote the establishment of new processors and value-added ventures.

## **Programs**

### **North Dakota Investments**

The industry is extremely grateful for the significant support received from the state legislature. Because of that support, the NDSU breeding program was established as well as programs for pathology and quality. Through producer check-off funds, North Dakota pulse producers have made significant contributions to these programs that will continue to be vital to the success of the entire industry. State producers have seen their investments come to fruition with the release of new varieties from the NDSU breeding program. In addition, the expertise and collaborations with the NDSU research and extension groups have been invaluable to the pulse industry. NDSU has provided important agronomic research that addresses challenges and helps producers mitigate economic losses and be profitable.

### **Request for Proposals (RFP)**

Each year, the Council invites proposals to be submitted to fund projects that benefit North Dakota's growing pulse industry. All proposals are reviewed, and funding awards are determined by the Council. To qualify for consideration, proposals must have a practical, near-term application involving practices or organizational arrangements that will stimulate an expanded pulse industry. Proposals for funding are accepted from public and private agencies and organizations, business and industry representatives, educational institutions, and individuals.

Eligible projects are as follows:

- Research
  - New crop varieties
  - Disease and pest management
  - Value added products
- Education programs
  - Planning and conducting publicity and sales promotion campaigns
  - Media development
  - Trade show exhibition
  - Nutritional/dietary recommendations

- Market development efforts
  - Conducting market assessments
  - International markets
  - Domestic markets
  - Overall market development of the pulse crop industry

## **Current Activities**

### **Research**

Research is the cornerstone for producer profitability and industry success. As demands for acreage has increased, so have incidents of disease, pest, and weed challenges for producers. Each year, the NPGA surveys pulse crop producers to determine the major needs for research and establish industry priorities. The results of the survey are reviewed by the NPGA research committee which is comprised of Council members and NPGA board members. The committee works extensively with researchers on developing research projects and identifying funding sources.

The Council has committed a significant amount of its resources during the past several years to pulse crop research regionally and nationally. The Council has contracted with the USADPLC to coordinate and enter contracts with third parties to conduct dry pea, lentil, and chickpea research. The USADPLC coordinates national research in the areas of health/nutrition, breeding/genetics, crop management/sustainability and product development.

### **Events**

Each year, the NPGA hosts a one-day convention in Minot, ND at the end of January that focuses on producer education. Attendees come from North Dakota, neighboring states and Canada. For the 2025 convention, the agenda includes a talk about the H2A program, a trade panel and a research panel.

### **Government Education**

The Council contracts with USADPLC to perform work in the areas of national and international policy and regulations. To meet this goal, USADPLC contracts with lobbying firm Gordley & Associates in Washington, D.C. on behalf of the U.S. pulse industry. The pulse industry supports equitable crop insurance for all dry peas, lentils, and chickpeas at an affordable price. USADPLC promotes full equality for pulse crops as a commodity under the Federal Farm Policy. In addition, USADPLC works diligently to protect Market Access Program and Foreign Market Development Program funding.

### **Education Programs**

The Council contributes funding to assist in developing education programs, publications and events with the primary goal of producer success and profitability. There is an extensive library of webinars, videos, and publications on the NPGA and USADPLC websites that the Council has contributed to. In addition, there are various social media channels for producers to ask about and share specific farming information on pulse crops. On behalf of the Council, NPGA also conducts grower meetings and releases a periodical newsletter. The funds invested in producer education help to ensure producers have the resources to grow a safe, high-quality crop. The Council wants to help provide producers with the tools to increase acreage to meet global demands.

The Council has also provided funding to help develop recipes, publications, videos and other materials to promote the health benefits and versatility of the use of pulses in child and adult diets.

### **Market Development**

More than 75% of U.S. grown pulse crops are exported. The USADPLC generates over 1 million dollars per year in market access and foreign market development programs. The North Dakota pulse industry is provided international representation through the Council's membership with the USADPLC with trade offices located around the world. Check off assessments generated in North Dakota are utilized as a match to the USADPLC to obtain federal marketing dollars to promote and conduct market development activities throughout the world. The Council has also invested in numerous

campaigns to educate consumers on the benefits and opportunities associated with pulse crops. The USADPLC has leveraged some of these funds to collaborate with influencers and bloggers on social media. On the regional level, the Council has funded NPGA marketing campaigns in conjunction with American Heart Month in February and with fitness influencers, brands, and dieticians.

## **Future Goals**

### **Research**

- Continue to support the development of pulse quality and breeding programs
- Continue to help coordinate the conduct of research on pulse crops to improve overall production, end use development, and marketability of pulse crops
- Support efforts to enhance North Dakota's ability to research new value-added opportunities for pulse crops for domestic and international markets
- Continue to work with the North Dakota Department of Agriculture and USDAPLC on the labeling of new and improved chemical control options for pulse crops

### **Marketing**

- Continue to promote North Dakota pulse crops domestically and worldwide to bring the highest value back to the North Dakota producer and industry
- Continue to coordinate with the USADPLC and their trade offices to promote North Dakota pulse crops on a world-wide scope

### **Education**

- Continue to promote the benefits of including pulse crops in crop rotations
- Continue to distribute educational information on the production and marketing of pulse crops

### **Information/Government Education**

- Support equitable crop insurance for all dry peas, lentils, and chickpeas at an affordable price
- Continue to promote efforts to protect the Market Access Program and Foreign Market Development Program funding

### **Industry Development**

- Continue to develop the processing capacity and industry in North Dakota to reflect the growth of the region's pulse industry
- Educate producers on the economic returns and benefits to the pulse industry using check off funds
- Support efforts to improve the transportation of pulse crops out of North Dakota to the domestic and global marketplace

**STATEMENT OF PROJECTED REVENUES AND EXPENDITURES**  
For the Current and Next Biennium  
2023-2025 and 2025-2027  
**(UNAUDITED)**

Prepared by North Dakota Dry Pea & Lentil Council

	2023-2025 <u>Biennium</u>	2025-2027 <u>Biennium</u>
Beginning Balance	\$1,378,434	\$842,369
<b>Revenues:</b>		
Assessment Revenue Collected from 1st Purchasers	\$2,500,000	\$2,980,000
Less:		
Assessments paid to other States	\$625,000	\$650,000
Refunds paid to producers	<u>\$250,000</u>	<u>\$340,000</u>
Net Assessment Revenue	\$2,500,000	\$2,980,000
Interest Income	\$20,000	\$20,000
Total Revenues	\$2,520,000	\$3,000,000
<b>Expenditures:</b>		
Research, Education, Marketing	\$2,872,290	\$3,274,928
Administrator	\$145,000	\$160,000
Copying & Printing	\$3,920	\$4,500
Meeting Expenses	\$11,500	\$11,000
Audit	\$4,000	\$4,000
Postage & Mailing Services	\$1,500	\$1,500
Technology	\$580	\$820
Travel	\$10,725	\$11,000
Advertising/Promotion	\$3,500	\$3,000
Insurance	\$2,000	\$2,000
Office Supplies	\$1,050	\$1,050
Total Expenditures	\$3,056,065	\$3,473,798
Revenues Over (Under) Expenditures	-\$536,065	-\$473,798
Ending Balance	\$842,369	\$368,571