

Introduced by

Legislative Management

(Agriculture and Natural Resources Committee)

1 A BILL for an Act to create and enact chapters 4.1-01, 4.1-15, 4.1-19, 4.1-54, 4.1-55, 11-38,  
2 11-39, and 15-12.1, a new section to chapter 19-02.1, and chapter 54-60.3 of the North Dakota  
3 Century Code, relating to revisions of agriculture laws regarding the agriculture commissioner,  
4 the northern crops institute, eggs, miscellaneous agriculture laws, the state fair association,  
5 county extension agents, the county fair association, agricultural experiment stations, and the  
6 agricultural products utilization commission; to amend and reenact subsection 2 of section  
7 57-15-06.7 of the North Dakota Century Code, relating to counties levying taxes to fund  
8 extension agents; to authorize the legislative council to make certain statutory redesignations;  
9 to repeal chapters 4-01, 4-02, 4-02.1, 4-05.1, 4-08, 4-11.1, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-19,  
10 4-21.1, 4-21.2, 4-22, 4-23, 4-24, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-35.2, 4-36, 4-37, 4-40, 4-41,  
11 4-43, and 19-07 of the North Dakota Century Code, relating to the agriculture commissioner,  
12 agricultural fair associations, the state fair association, agricultural experiment stations, county  
13 agents, potato production contracts, the poultry division, unfair discrimination in the purchase of  
14 farm products, the agriculturally derived fuel tax fund, the northern crops institute, forestry and  
15 tree distribution, nurseries and nursery stock, the trees for North Dakota program, soil  
16 conservation districts, agricultural conservation and adjustment, miscellaneous agriculture laws,  
17 dairy products regulations, the interstate pest control compact, plant pests, the pesticide act,  
18 chemigation regulation, pesticide and pesticide container disposal, the agricultural development  
19 act, agriculture in the classroom, crop production products, industrial hemp, meatpacking plant  
20 assistance, and eggs; to provide a penalty; and to provide an effective date.

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

22 **SECTION 1.** Chapter 4.1-01 of the North Dakota Century Code is created and enacted as  
23 follows:

1        **4.1-01-01. Definitions.**

2        As used in this title, unless otherwise provided:

3        1.    "Commissioner" means the agriculture commissioner or the designee or authorized  
4            representative of the commissioner.

5        2.    "Department" means the North Dakota department of agriculture.

6        **4.1-01-02. Salary of agriculture commissioner.**

7        The annual salary of the agriculture commissioner is one hundred five thousand four  
8        hundred ninety-one dollars through June 30, 2016, and one hundred eight thousand six  
9        hundred fifty-six dollars after that date.

10       **4.1-01-03. Compelling attendance of witnesses and production of books and papers.**

11       The commissioner may compel the attendance of persons at hearings before the  
12       commissioner, and the production of books and papers. The commissioner may examine  
13       witnesses under oath and may administer oaths. The commissioner's office must file and  
14       preserve any testimony taken by the commissioner.

15       **4.1-01-04. Exhibits at fairs.**

16       The commissioner shall have charge of the exhibits of products or resources of the state  
17       which are shown at any fair or exposition in the United States. The commissioner shall  
18       cooperate with any railroad company doing business in the state, and with any person  
19       interested in securing an exhibit at any fair or exposition in the United States.

20       **4.1-01-05. Cooperation with federal agencies in destruction of predatory animals,**  
21       **destructive birds, and injurious field rodents.**

22       1.    The commissioner may cooperate with the United States department of agriculture,  
23       animal and plant health inspection service, or other appropriate federal agency, in the  
24       control and destruction of:

25       a.    Fur-bearers and field rodents that are injurious to:

26            (1) Livestock;

27            (2) Poultry; or

28            (3) Big and small game.

29       b.    Big game threatening human health or domestic livestock; and

30       c.    Birds causing crop damage or substantial economic loss or threatening human  
31       health.

- 1       2. The control and destruction of animals must be approved by the director of the game  
2       and fish department. The commissioner may enter written agreements with the animal  
3       and plant health inspection service or other appropriate federal agency, and the  
4       director of the game and fish department to determine:
- 5       a. The methods and procedures for the control and destruction of the birds and  
6       animals;
- 7       b. The extent of supervision required by the commissioner and the animal and plant  
8       health inspection service or other appropriate federal agency; and
- 9       c. The use and expenditure of the funds appropriated by the legislative assembly  
10      for the control and destruction of the animals.
- 11      3. The commissioner, in cooperation with the animal and plant health inspection service  
12      or other appropriate federal agency, may enter agreements with other governmental  
13      agencies and with counties, associations, corporations, limited liability companies, or  
14      individuals for control and destruction of birds and animals under this section.

15      **4.1-01-06. Expenditures authorized - Who to approve vouchers - Qualifications of**  
16      **hunters and trappers hired - When bounties not payable.**

17      The commissioner may authorize expenditures from funds available for equipment,  
18      supplies, and other expenses, including expenditures for personal services of hunters and  
19      trappers, as may be necessary to execute the functions of the commissioner under section  
20      4.1-01-05. Hunters and trappers employed under section 4.1-01-05 must be state residents.  
21      Hunters and trappers employed under section 4.1-01-05 are not entitled to bounty provided by  
22      state laws for the killing or extermination of birds and animals under that section. All vouchers  
23      for expenditures made by the commissioner under this section must be approved by the duly  
24      authorized agent of the animal and plant health inspection service or other appropriate federal  
25      agency.

26      **4.1-01-07. Disposition of proceeds of furs, skins, and specimens taken.**

27      All furs, skins, and specimens taken by hunters and trappers paid out of funds appropriated  
28      to carry out section 4.1-01-05 must be disposed of in a manner the commissioner determines is  
29      in the best interest of the state. If furs, skins, or specimens are sold, the net proceeds of the  
30      sales, up to fifteen thousand dollars per biennium, must be used by the United States

1 department of agriculture wildlife services to fund program activities benefiting the state's  
2 livestock producers.

3 **4.1-01-08. Marketing bureau.**

4 The commissioner shall establish and maintain a marketing bureau to gather and  
5 disseminate statistical information on any agricultural marketing problems of the state and to  
6 engage in marketing services of agricultural products. Any moneys received or generated by the  
7 pride of Dakota program must be deposited in the agriculture department operating fund in the  
8 state treasury.

9 **4.1-01-09. Certified beef program.**

10 The commissioner may collaborate with the state board of animal health, the North Dakota  
11 stockmen's association, North Dakota state university beef systems, and the United States  
12 secretary of agriculture to develop a source-verified and process-verified beef marketing  
13 program known as the certified beef program.

14 **4.1-01-10. Sustainably grown in North Dakota - Application - Logo - Promotion of**  
15 **commodities.**

- 16 1. The commissioner may implement a program to promote agricultural commodities  
17 sustainably grown in North Dakota.
- 18 2. If a program under subsection 1 is implemented, the program must require a producer  
19 to file an application with the commissioner. If a producer demonstrates the producer's  
20 growing practices with respect to a particular commodity meet the commissioner's  
21 established criteria for sustainability, the commissioner shall authorize the producer to  
22 label and market the commodity as being sustainably grown in North Dakota.
- 23 3. The commissioner may develop, and make available for use by authorized producers,  
24 a logo indicating the commodity is sustainably grown in North Dakota. The  
25 commissioner may actively support and promote the sale and use of products  
26 identified as sustainably grown in North Dakota.
- 27 4. The commissioner may establish and charge producers a fee for participating in the  
28 program. The commissioner shall forward all fees collected under this section to the  
29 state treasurer for deposit in the general fund.
- 30 5. The commissioner may engage in research and educate members of the public  
31 regarding agricultural commodities that are sustainably grown in this state.

- 1       6. For purposes of this section, "sustainably grown" means a crop grown using  
2       research-based practices resulting in:  
3       a. Increased efficiencies in soil and nutrient preservation;  
4       b. Decreased reliance on tillage and other soil-depleting practices;  
5       c. Increased efficiencies in the use of water;  
6       d. Increased efficiencies in the use of other necessary and measurable agricultural  
7       inputs;  
8       e. Increased yield efficiencies; and  
9       f. Greater economic benefit to producers.

10       **4.1-01-11. Advisory committee on sustainable agriculture - Creation - Duties - Powers**  
11       **- Compensation - - Report to legislative management - Continuing appropriation.**

12       1. The commissioner shall appoint an advisory committee on sustainable agriculture.

13       a. The committee must include:

14           (1) The chairman of the house agriculture committee or the chairman's  
15           designee;

16           (2) The chairman of the senate agriculture committee or the chairman's  
17           designee;

18           (3) The commissioner of the department of commerce or the commissioner's  
19           designee;

20           (4) The director of the North Dakota state university agricultural experiment  
21           station;

22           (5) An agricultural producer who utilizes innovative research-based  
23           technologies in farming operations;

24           (6) A representative of an international agricultural corporation; and

25           (7) An individual specializing in the domestic and international marketing of  
26           agricultural products.

27       b. If both houses of the legislative assembly are controlled by the same party, the  
28       committee also must include one member of the legislative assembly from the  
29       minority party, appointed by the chairman of the legislative council.

30       2. The committee shall:

- 1 a. Examine sustainability with respect to conventional farming practices and modern
- 2 technology-based production practices;
- 3 b. Examine production practices that are efficient and able to meet current and
- 4 future global food and nutritional needs;
- 5 c. Examine production practices that promote increased efficiencies in resource
- 6 use, improve human health through access to safe and nutritious food, and
- 7 enhance economic opportunities for individual producers;
- 8 d. Explore metric evaluations to measure the attainment, maintenance, and
- 9 certification of sustainability;
- 10 e. Advise the commissioner regarding the development of a sustainability
- 11 certification program and the marketing and packaging of products containing the
- 12 certification;
- 13 f. Explore the standards held by international private sector certifying groups which
- 14 have the potential to increase sales of North Dakota products; and
- 15 g. Report to the legislative management on the status of committee activities.
- 16 3. The committee may accept gifts, grants, and donations of money, property, and
- 17 services. All moneys received as gifts, grants, or donations are appropriated on a
- 18 continuing basis to the commissioner for the purpose of carrying out this section.
- 19 4. Each legislative member of the committee is entitled to receive per diem
- 20 compensation in the amount established by subsection 1 of section 54-03-20 plus
- 21 reimbursement for expenses as provided by law for state officers if the member is
- 22 attending meetings or performing duties directed by the committee.
- 23 **4.1-01-12. Commodity groups - Agriculture commissioner - Meetings.**
- 24 1. The commissioner may participate, as a nonvoting member, in any regular or special
- 25 meeting of a commodity group, including any executive session held by a commodity
- 26 group.
- 27 2. Annually, the commissioner shall call a meeting of representatives from each
- 28 commodity group to engage in collaborative efforts to promote and market agricultural
- 29 commodities.
- 30 3. For purposes of this section, "commodity group" means the:
- 31 a. North Dakota barley council;

- 1           b. North Dakota beef commission;
- 2           c. North Dakota beekeepers association;
- 3           d. North Dakota corn utilization council;
- 4           e. North Dakota dairy promotion commission;
- 5           f. North Dakota dry bean council;
- 6           g. North Dakota dry pea and lentil council;
- 7           h. North Dakota oilseed council;
- 8           i. North Dakota potato council;
- 9           j. North Dakota soybean council;
- 10          k. North Dakota turkey federation; and
- 11          l. North Dakota wheat commission.

12           **4.1-01-13. Publicly owned land - Noxious weed control or eradication.**

- 13          1. The commissioner shall arrange a noxious weed control or eradication program with
- 14           all state and federal agencies owning, controlling, or having jurisdiction over land
- 15           within the state.
- 16          2. Each weed control officer shall arrange a noxious weed control or eradication program
- 17           with political subdivisions owning or controlling public land within the weed control
- 18           officer's jurisdiction.
- 19          3. If a federal agency does not control or eradicate noxious weeds on land under its
- 20           jurisdiction and does not develop a management plan for controlling or eradicating the
- 21           noxious weeds, the appropriate weed control office shall notify the agency of the
- 22           failure to control or eradicate the noxious weeds. The federal agency shall provide a
- 23           report to the weed control authorities detailing the methods used by the federal agency
- 24           and showing cause why the federal agency is not controlling or eradicating the
- 25           noxious weeds. The commissioner may specify the forms on which the federal agency
- 26           report must be submitted.
- 27          4. Upon being notified by a weed board of the federal agency's failure to control or
- 28           eradicate noxious weeds, the commissioner may hold a public hearing to determine
- 29           the reason for the failure.

1        **4.1-01-14. Equine slaughter - Establishments.**

2        The commissioner shall monitor federal statutory and regulatory actions related to the  
3 slaughter of horses, mules, and other equines, and in particular, actions pertaining to the  
4 establishments in which the slaughter and preparation of the carcasses may take place. The  
5 commissioner may pursue or support federal legislative, regulatory, or contractual avenues  
6 allowing for the slaughter and processing of horses, mules, and other equines in this state,  
7 without the restriction that the slaughter or product preparation be conducted in establishments  
8 separate from any in which cattle, sheep, swine, or goats are slaughtered or their products are  
9 prepared.

10       **4.1-01-15. Agricultural wetland credits - Database.**

11       The commissioner shall create and maintain an electronic database of wetland credits  
12 available for purchase by an agricultural landowner.

13       **4.1-01-16. Grape and wine advisory committee - Membership.**

14       The commissioner shall appoint a grape and wine advisory committee. The committee must  
15 include:

- 16       1. Two individuals who are grape producers;
- 17       2. One individual who is the producer of a fruit, other than grapes, used in vinification;
- 18       3. Two individuals who own wineries located in this state; and
- 19       4. One representative of the North Dakota grape and wine association.

20       **4.1-01-17. Pipeline restoration and reclamation oversight pilot program - Generally.**

- 21       1. The commissioner shall establish a pilot program providing technical assistance and  
22 support to surface owners and surface tenants on pipeline restoration and followup  
23 support to surface owners and surface tenants on pipeline reclamation.
- 24       2. The commissioner may contract for ombudsmen to be a resource for technical  
25 assistance and followup on pipeline issues. The ombudsmen may not investigate or  
26 assist with any pipeline installed before January 1, 2006, or regulated by the public  
27 service commission under title 49, and may not assist in easement negotiations.
- 28       3. The pilot program may provide technical education, support, and outreach on  
29 pipeline-related matters in coordination with other entities.
- 30       4. The commissioner may contract with local individuals, deemed trustworthy by the  
31 surface owners and surface tenants, to be ombudsmen. The commissioner is not



1           subject to the provisions of chapter 54-44.4 when contracting for the services of  
2           ombudsmen.

3           **4.1-01-18. Federal environmental law impact review committee.**

4           1. The federal environmental law impact review committee consists of:

5           a. The commissioner, who shall serve as the chairman;

6           b. The governor or the governor's designee;

7           c. The majority leader of the house of representatives, or the leader's designee;

8           d. The majority leader of the senate, or the leader's designee;

9           e. One member of the legislative assembly from the minority party, selected by the  
10           chairman of the legislative management;

11           f. One individual appointed by the lignite energy council;

12           g. One individual appointed by the North Dakota corn growers association;

13           h. One individual appointed by the North Dakota grain growers association;

14           i. One individual appointed by the North Dakota petroleum council;

15           j. One individual appointed by the North Dakota soybean growers association; and

16           k. One individual appointed by the North Dakota stockmen's association.

17           2. The committee shall review federal environmental legislation and regulations  
18           detrimentally impacting or potentially detrimentally impacting the state's agricultural,  
19           energy, or oil production sectors. The committee shall confer with the attorney general  
20           with respect to participation in administrative or judicial processes pertaining to the  
21           legislation or regulations.

22           3. a. Any member of the legislative assembly serving on the committee is entitled to  
23           compensation at the rate provided for attendance at interim committee meetings  
24           and reimbursement for expenses, as provided by law for state officers, if the  
25           member is attending meetings of the committee or performing duties directed by  
26           the committee.

27           b. The compensation and reimbursement of expenses, as provided for in this  
28           subsection, are payable by the legislative council.

1        **4.1-01-19. Environmental impact - Cost of participation.**

2        1. Any expenses incurred by the commissioner or by the federal environmental law  
3        impact review committee in meeting the requirements of section 4.1-01-18 must be  
4        paid by the commissioner from the federal environmental law impact fund.

5        2. If the attorney general elects to participate in an administrative or judicial process  
6        pertaining to federal environmental legislation or regulations, which detrimentally  
7        impact or potentially detrimentally impact the state's agricultural, energy, or oil  
8        production sectors, any expenses incurred by the attorney general in the participation  
9        must be paid by the commissioner from the federal environmental law impact review  
10       fund.

11       3. For purposes of this section, "expenses" include administrative costs, consulting fees,  
12       research costs, expert witness fees, attorney fees, and travel costs.

13       **4.1-01-20. Gifts - Grants - Donations.**

14       The commissioner may accept gifts, grants, and donations for the purposes set forth in  
15       section 4.1-01-19, provided the commissioner posts the amount and source of any gifts, grants,  
16       and donations on the department's website. Any moneys received in accordance with this  
17       section must be deposited in the federal environmental law impact review fund.

18       **4.1-01-21. Federal environmental law impact review fund - Continuing appropriation.**

19       1. The federal environmental law impact review fund consists of:

20       a. Any moneys appropriated or transferred for the purposes set forth in section  
21       4.1-01-19; and

22       b. Any gifts, grants, and donations forwarded to the commissioner for the purposes  
23       set forth in section 4.1-01-19.

24       2. All moneys in the federal environmental law impact review fund are appropriated to the  
25       commissioner on a continuing basis for the purposes set forth in section 4.1-01-19.

26       **4.1-01-22. Agriculture in the classroom program.**

27       1. The agriculture commissioner shall administer an agriculture in the classroom program  
28       with the advice of the agriculture in the classroom council.

29       2. The agriculture in the classroom council consists of seven individuals. The agriculture  
30       commissioner shall appoint six council members. The seventh council member is the

- 1            superintendent of public instruction or the superintendent's designee. Annually, the  
2            council shall elect one of its members to serve as the chairman.
- 3            3. At the call of the chairman, the council shall meet at least twice each year, to confer  
4            with and advise the agriculture commissioner regarding issues related to the  
5            agriculture in the classroom program.
- 6            4. The agriculture commissioner may award grants and contract with any person for the  
7            provision of an agriculture in the classroom program, the development of agricultural  
8            curriculum activities applicable to students from kindergarten through grade twelve,  
9            and the training of teachers in agricultural curriculum activities.
- 10          5. The agriculture commissioner may:
- 11            a. Consult and work with the superintendent of public instruction, the department of  
12            career and technical education, the United States department of agriculture, and  
13            any other public or nonpublic entities to provide and promote an agriculture in the  
14            classroom program;
- 15            b. Prepare instructional, informational, and reference publications on the North  
16            Dakota agricultural economy and rural lifestyles;
- 17            c. Provide training programs for public school teachers in agricultural curriculum  
18            activities;
- 19            d. Encourage research on and identification of new instructional, informational, and  
20            reference publications relating to this state's agricultural economy and rural  
21            lifestyles; and
- 22            e. Monitor the quality and condition of the agriculture in the classroom program.
- 23          6. The agriculture commissioner may accept and expend gifts, grants, and donations in  
24            support of the agriculture in the classroom program. If any gifts, grants, or donations  
25            are designated for a specific purpose, the commissioner shall honor the purpose  
26            provided the purpose is consistent with this chapter.
- 27          7. Members of the agriculture in the classroom council may not receive any  
28            compensation for their services on the council, but are entitled to be reimbursed for  
29            their expenses incurred in performing their duties in the amounts provided by law for  
30            state employees.

1       **SECTION 2.** Chapter 4.1-15 of the North Dakota Century Code is created and enacted as  
2 follows:

3       **4.1-15-01. Northern crops institute - Northern crops council - Powers and duties -**  
4 **Gifts and grants - Continuing appropriation.**

- 5       1. The northern crops institute is administered by and in conjunction with North Dakota  
6 state university.
- 7       2. The northern crops council, in consultation with the president of North Dakota state  
8 university, shall appoint the director of the northern crops institute and may remove the  
9 director for cause. The director shall manage the institute, hire and compensate  
10 necessary personnel within the limits of legislative appropriations, prepare a biennial  
11 budget, and serve as executive secretary to the northern crops council. The council  
12 shall fix the salary of the director, within the limits of legislative appropriations, in  
13 consultation with the president of North Dakota state university.
- 14       3. The president of North Dakota state university may participate in the hiring of a  
15 director for the institute, including serving on search committees, advertising, and  
16 interviewing and negotiating with candidates.
- 17       4. Funds appropriated to the northern crops institute may not be commingled with funds  
18 appropriated to North Dakota state university. Appropriation requests of the northern  
19 crops institute must be separate from appropriation requests of North Dakota state  
20 university.

21       **4.1-15-02. Northern crops council - Duties - Chairman - Meetings.**

22       The northern crops council shall establish policies for the operation of the northern crops  
23 institute.

- 24       1. The council consists of:
- 25       a. The agriculture commissioner or the commissioner's designee;
- 26       b. The president of North Dakota state university of agriculture and applied science  
27 or the president's designee;
- 28       c. The president and general manager of the North Dakota mill and elevator  
29 association;
- 30       d. An individual selected by the North Dakota barley council;
- 31       e. An individual selected by the North Dakota oilseed council;

- 1           f. An individual selected by the North Dakota soybean council;
- 2           g. An individual selected by the North Dakota wheat commission;
- 3           h. No fewer than five nor more than seven individuals who produce northern crops,
- 4                 selected by the members referenced in subdivisions a through g; and
- 5           i. No more than four representatives of industries that process northern crops,
- 6                 selected by the members designated in subdivisions a through g.
- 7         2. a. The term of office for each member of the council referenced in subdivisions d
- 8                 through i of subsection 1 is three years, and those members are limited to two
- 9                 3-year terms.
- 10           b. Each term of office begins with the first meeting after the member's appointment.
- 11         3. Annually, the council members shall select one of the individuals referenced in
- 12                 subdivisions d through i of subsection 1 to serve as the chairman.
- 13         4. The council shall meet at least three times annually at the times and places as
- 14                 determined by the council and may meet in special meeting upon the call and notice
- 15                 as may be prescribed by rules adopted by the council.
- 16         5. If a member is unable to attend a meeting of the council, the member may be
- 17                 represented by an individual who has a written proxy from the member.

18         **4.1-15-03. Purpose - Powers and duties.**

19         The northern crops institute shall provide technical and marketing assistance through  
20 specialized training courses and technical services that facilitate domestic and market  
21 development and expanded sales of northern grown crops. The institute shall render services  
22 including:

- 23           1. In-plant consultations regarding crop quality problems, product manufacturing, and
- 24                 possible purchasing methods and standards.
- 25           2. Short courses in product milling and processing, plant management, county elevator
- 26                 management, grain grading, and marketing of crops.
- 27           3. Educational and career and technical education training programs in milling,
- 28                 processing, manufacturing, purchasing methods, marketing procedures, product sales
- 29                 techniques, and other related subjects to be conducted for users of northern crops.
- 30           4. Short-term investigations, consultation, evaluation, and research to solve technical
- 31                 problems involved in the maintenance of quality and utilization of northern crops.

- 1        5. Annual surveys and quality analyses of new northern crops and monitoring of the
- 2            quality and condition of commodities in market channels.
- 3        6. Research on northern crop damage problems and solutions.
- 4        7. Identification of problem areas in marketing northern crops abroad.
- 5        8. Preparation of instructional, informational, and reference publications on the end use,
- 6            technical aspects of marketing, and utilization of northern crops for distribution
- 7            domestically and abroad.

8        **4.1-15-04. Gifts and grants - Continuing appropriation.**

9        The northern crops institute may contract for and accept private contributions and gifts and  
10 grants-in-aid from the federal government, private industry, and other sources. Those funds may  
11 be spent only for the purposes of this chapter and for any purposes designated in the gift, grant,  
12 or donation and those funds are appropriated on a continuing basis to the northern crops  
13 institute for those purposes.

14        **SECTION 3.** Chapter 4.1-19 of the North Dakota Century Code is created and enacted as  
15 follows:

16        **4.1-19-01. Definitions.**

17        As used in this chapter,:

- 18        1. "Eggs" means eggs in the shell which are the product of a domesticated chicken.
- 19        2. "Poultry" means domesticated fowl bred for the primary purpose of producing eggs,
- 20            meat, or both, including chickens, turkeys, ostriches, emus, rheas, cassowaries,
- 21            waterfowl, and game birds, but excluding doves and pigeons.

22        **4.1-19-02. Administration - Enforcement.**

23        The agriculture commissioner shall administer and enforce this chapter.

24        **4.1-19-03. Purposes - Duties.**

25        The agriculture commissioner shall:

- 26        1. Promote improved poultry breeding practices and cooperate with the board of animal
- 27            health in controlling and eradicating contagious or infectious diseases of poultry.
- 28        2. Act as the official state agency for North Dakota in cooperation with the veterinary
- 29            services, animal plant health inspection service, United States department of
- 30            agriculture, for the purpose of furthering the objectives and supervising the state's
- 31            participation in the national poultry improvement plan.

- 1       3. Act as the state agency to cooperate with the United States department of agriculture
- 2           to provide federal-state grading service for poultry and poultry products offered for sale
- 3           at the retail level, to supervise the federal-state poultry grading service, and to enforce
- 4           regulations at the retail level as to identification by grade of all poultry sold.
- 5       4. Promote the welfare and improvement of the poultry industry and the marketing of
- 6           poultry and poultry products within the state.
- 7       5. Adopt rules under chapter 28-32 as necessary to effectuate the purposes of this
- 8           chapter.

9       **4.1-19-04. Licensing - Fees - Bonding.**

10       A person must be licensed by the agriculture commissioner to engage in the business of

11 poultry buyer, processor, packer, hatchery operator, or salesperson. Licenses issued under this

12 chapter expire on July first and must be issued or renewed only upon payment to the

13 commissioner of the license fee of five dollars for each business activity subject to licensing and

14 the furnishing of the bond required by rules adopted by the agriculture commissioner. Engaging

15 in a business activity subject to licensing under this chapter without a valid license or failure to

16 pay any license fee or to furnish the required bond within ten days after it becomes due or

17 required is a violation of this chapter.

18       **4.1-19-05. Penalty.**

- 19       1. Any person who violates any provision of this chapter or rule adopted under this
- 20           chapter is guilty of a class A misdemeanor.
- 21       2. Any person who violates any provision of this chapter or rule adopted under this
- 22           chapter may be subject to a civil penalty not to exceed one thousand dollars for each
- 23           violation. This penalty may be adjudicated by the courts or by the agriculture
- 24           commissioner through an administrative hearing conducted by an independent hearing
- 25           officer pursuant to chapter 28-32.
- 26       3. The agriculture commissioner may maintain an appropriate civil action in the name of
- 27           the state against any person violating this chapter or rule adopted under this chapter.
- 28       4. Any person who knowingly makes a false statement, representation, or certification in
- 29           any application, record, report, or other document is guilty of a class A misdemeanor.
- 30       5. For purposes of this section, "person" means an individual, partnership, corporation,
- 31           limited liability company, association, cooperative, or any business entity.

1        **4.1-19-06. Eggs to be graded - Exemption.**

2        1. All eggs sold or offered for sale to an ultimate consumer in this state must be candled,  
3        graded, and labeled with the correct grade designation.

4        2. The agriculture commissioner may adopt appropriate rules under chapter 28-32 to  
5        provide for registration of egg dealers and standards for candling, grading, and  
6        inspecting eggs as to size, quality, purity, strength, holding requirements,  
7        transportation, labeling, and sanitation in conformity with United States department of  
8        agriculture regulations governing the grading and inspecting of eggs.

9        **SECTION 4.** Chapter 4.1-54 of the North Dakota Century Code is created and enacted as  
10 follows:

11        **4.1-54-01. Sale of chemically treated grain - Misdemeanor.**

12        A person may not sell grain for the purpose of human or animal consumption which has  
13 been chemically treated for insect or fungus control, without informing the purchaser of the  
14 treatment. Any person selling chemically treated grain without informing the purchaser of the  
15 treatment is guilty of a class B misdemeanor.

16        **4.1-54-02. North Dakota winter show - Official site of the North Dakota agricultural**  
17 **hall of fame.**

18        The North Dakota winter show, an annual exhibition, shall be held in Valley City. No other  
19 event may be designated as, nor call itself, the North Dakota winter show, or any similar name  
20 designed to confuse the public with the exhibition sponsored every year in Valley City by the  
21 North Dakota winter show. The North Dakota winter show is a nonprofit corporation organized  
22 under the laws of this state. The North Dakota winter show is the official site of the North Dakota  
23 agricultural hall of fame.

24        **4.1-54-03. Agricultural commodity assessments funds - Investment income**  
25 **allocation.**

26        1. Notwithstanding any other provision of law, the state treasurer shall invest in  
27 accordance with section 21-10-07 all available moneys in:

- 28        a. The potato fund;  
29        b. The oilseed fund;  
30        c. The dry bean fund;  
31        d. The dry pea and lentil fund;



- 1 e. The barley fund;
- 2 f. The soybean fund;
- 3 g. The corn fund;
- 4 h. The honey fund;
- 5 i. The turkey fund;
- 6 j. The milk marketing fund;
- 7 k. The dairy promotion commission fund;
- 8 l. The state wheat commission fund;
- 9 m. The ethanol fund; and
- 10 n. The North Dakota beef commission fund.
- 11 2. The investment of moneys must be made in cooperation with the governing body of  
12 the respective agricultural commodity entity. The state treasurer shall establish rules,  
13 in cooperation with the agricultural commodity organizations, to be followed regarding  
14 the investment of moneys in each fund. The state treasurer shall credit twenty percent  
15 of the investment income derived from each fund to the general fund in the state  
16 treasury as payment for accounting, printing, data processing, legal, and other  
17 services when provided without cost by the state to the agricultural commodity entity.  
18 The state treasurer shall credit eighty percent of the investment income derived from  
19 each fund to the respective fund.

20 **4.1-54-04. Agricultural commodity promotion groups to report to the legislative**  
21 **assembly - Report contents.**

- 22 1. From the first to the tenth legislative day of each regular legislative session, the  
23 following entities must file a uniform report at a public hearing before the standing  
24 agriculture committee of each house of the legislative assembly:
- 25 a. The North Dakota ethanol council;
- 26 b. The North Dakota potato council;
- 27 c. The North Dakota oilseed council;
- 28 d. The North Dakota dry bean council;
- 29 e. The North Dakota dry pea and lentil council;
- 30 f. The North Dakota barley council;
- 31 g. The North Dakota soybean council;

- 1           h. The North Dakota corn utilization council;
- 2           i. The North Dakota beekeepers association;
- 3           j. The North Dakota turkey federation;
- 4           k. The North Dakota milk marketing board;
- 5           l. The North Dakota dairy promotion commission;
- 6           m. The North Dakota state wheat commission; and
- 7           n. The North Dakota beef commission.
- 8        2. The presiding officer of each house of the legislative assembly may direct the reports
- 9           be filed with some other standing committee of that house. Each report must contain a
- 10          summary of the activities of the commodity group during the current biennium, and a
- 11          single-page uniform statement of revenues and expenditures for the next biennium.
- 12          Each report, except the reports of the North Dakota beekeepers association and the
- 13          North Dakota turkey federation, also must include a state auditor's report on the
- 14          commodity group's single-page uniform statement of revenues and expenditures for
- 15          the previous two fiscal years.

16        **4.1-54-05. North Dakota agricultural hall of fame - Establishment - Induction.**

17        The North Dakota agricultural hall of fame is established at the North Dakota winter show.

- 18        1. To be eligible for induction into the North Dakota agricultural hall of fame, an individual
- 19           must:
- 20           a. Have reached the age of forty-five;
- 21           b. Have been involved in the state's agricultural industry for a minimum of twenty
- 22            years; and
- 23           c. Be nominated for induction by a member of the North Dakota agricultural hall of
- 24            fame committee.
- 25        2. A nomination must be in writing and must include the nominee's personal history,
- 26           education, employment, and history of contributions to and achievements in the state's
- 27           agricultural industry; the nominee's participation in professional organizations; the
- 28           nominee's career-related activities and civic contributions, honors, and awards; a
- 29           statement from the candidate, if possible; and the date and signature of the nominator.
- 30        3. The North Dakota agricultural hall of fame committee shall select inductees by majority
- 31           vote. The selections must be based on the nominee's record of accomplishment in the

1 state's agricultural industry. The committee shall give due consideration to the  
2 nominee's participation in organizations represented by members of the North Dakota  
3 agricultural hall of fame committee.

4 **4.1-54-06. North Dakota agricultural hall of fame committee - Members.**

5 1. The North Dakota agricultural hall of fame committee consists of the following  
6 individuals, each of whom must be selected by the governing body of the entity or the  
7 official to be represented:

8 a. A representative of the North Dakota winter show;

9 b. A representative of agricultural media;

10 c. A representative of agriculture in the area of career and technical education;

11 d. A representative of the North Dakota stockmen's association;

12 e. A representative of the North Dakota grain growers association;

13 f. A representative of the North Dakota oilseed council;

14 g. A representative of county extension agents;

15 h. A representative of the agriculture commissioner;

16 i. A representative of the North Dakota pork producers;

17 j. A representative of the North Dakota sheep producers;

18 k. A representative of the national agricultural marketing association;

19 l. A representative of the North Dakota implement dealers association;

20 m. A representative of the North Dakota farm bureau;

21 n. A representative of the North Dakota farmers union; and

22 o. A representative of the national farmers organization.

23 2. The committee, by a two-thirds majority, may add a new agricultural organization to  
24 select a representative on the North Dakota agricultural hall of fame committee. The  
25 committee, by a majority vote, may remove the name of an organization that no longer  
26 exists from the North Dakota agricultural hall of fame committee.

27 3. The representative of the North Dakota winter show shall serve as the chairman of the  
28 committee and the secretary of the North Dakota winter show shall serve as the  
29 secretary of the committee. The chairman shall determine the time and location of all  
30 committee meetings.

1       4. The committee shall determine the number of nominees to be inducted into the North  
2       Dakota agricultural hall of fame each year. Any person who is nominated for induction  
3       into the North Dakota agricultural hall of fame and fails to receive the requisite votes  
4       for induction but receives at least one vote is automatically carried over for  
5       consideration for induction the following year. The nominee may provide the  
6       committee with updated or additional information to be considered.

7       5. The committee shall select the inductees by secret ballot and shall announce the  
8       selection at the North Dakota agricultural hall of fame banquet, to be held each year  
9       during the North Dakota winter show. Inductees must receive a plaque and have their  
10       photographs displayed at the North Dakota agricultural hall of fame.

11       **4.1-54-07. Purple coneflowers (Echinacea purpurea or Echinacea angustifolia) -**

12       **Unauthorized removal - Penalty.**

13       1. It is a class A misdemeanor for any person to willfully enter upon state-owned land or  
14       land owned by another and remove or attempt to remove a purple coneflower,  
15       Echinacea purpurea or Echinacea angustifolia, from the land without the express  
16       written consent of the landowner. A person in violation of this section is subject to  
17       court-ordered restitution to the landowner, and is also subject to a civil penalty of up to  
18       ten thousand dollars.

19       2. It is a class A misdemeanor for any person to willfully possess a purple coneflower  
20       removed from land in violation of this section. A person in violation of this section is  
21       also subject to a civil penalty of up to ten thousand dollars.

22       3. Any vehicle used to transport a purple coneflower removed or possessed in violation  
23       of this section is forfeitable property under chapter 29-31.1.

24       **4.1-54-08. Genetically modified seed - Patent infringement - Sampling - Mediation.**

25       1. For purposes of this section, "farmer" means the person responsible for planting a  
26       crop on, managing the crop, and harvesting the crop from land on which a patent  
27       infringement is alleged to have occurred.

28       2. a. Before a person holding a patent on a genetically modified seed may enter upon  
29       any land farmed by another for the purpose of obtaining crop samples to  
30       determine whether patent infringement has occurred, the person holding the  
31       patent shall:

- 1           (1) Provide written notice to the agriculture commissioner of the person's belief  
2           that a patent infringement has occurred and include facts supporting the  
3           allegation;
- 4           (2) Provide written notice to the farmer of the allegation that a patent  
5           infringement has occurred and request written permission to enter upon the  
6           farmer's land; and
- 7           (3) Obtain the written permission of the farmer.
- 8           b. If the farmer withholds written permission, the person holding a patent may  
9           petition the district court of the judicial district in which the property is located for  
10          an order granting permission to enter upon the farmer's land.
- 11          3. The farmer may accompany the person holding the patent at the time any samples are  
12          taken.
- 13          4. If requested by the farmer or the person holding the patent, the state seed  
14          commissioner shall accompany the person holding the patent at the time any sample  
15          is taken. The state seed commissioner may impose a fee for providing that service.  
16          The patent holder and the farmer shall each pay one-half of the fee charged by the  
17          commissioner.
- 18          5. If the person holding a patent believes that the crop from which samples are to be  
19          taken may be subject to intentional damage or destruction, the person may seek a  
20          protection order from the district court. The protection order may not interrupt or  
21          interfere with normal farming practices, including harvest and tillage.
- 22          6. The person holding the patent may take samples from a standing crop, from  
23          representative standing plants in the field, or from crops remaining in the field after  
24          harvest.
- 25          7. The person holding the patent may not obtain more samples than are reasonably  
26          necessary to make a determination regarding patent infringement. An equal number of  
27          samples must remain in the custody of the state seed commissioner or the farmer for  
28          future comparison and verification purposes. All samples taken must be placed in  
29          containers labeled as to the date, time, and location from which they were taken. The  
30          labels must be signed by the farmer, the person who took the samples, and the state  
31          seed commissioner if the commissioner was present at the time the samples were

1           taken. The patent holder and the farmer shall share equally the cost of the containers  
2           needed for the second set of samples that are retained by the state seed  
3           commissioner or the farmer. The farmer and the person holding the patent shall share  
4           equally the cost of the containers and the cost of obtaining the samples.

5           8. Within sixty days from the date the samples are taken, an independent laboratory shall  
6           conduct all tests to determine whether patent infringement has occurred. The person  
7           holding the patent shall notify the farmer of the test results, by certified mail or by any  
8           other method of delivery for which a signature is required, within twenty-one days from  
9           the date the results were reported to the person holding the patent.

10          9. The parties may participate in mediation at any time. The mediation must be  
11          conducted by a mediator jointly selected by the farmer and the person holding the  
12          patent. If the farmer and the person holding the patent are unable to select a mediator,  
13          the mediation must be conducted by an independent mediation service.

14          10. If the case is not settled after mediation, either party may file a claim for relief with the  
15          federal district court having jurisdiction over the claim. Unless otherwise specified in a  
16          contract between the farmer and the person holding the patent, the appropriate state  
17          district court is the one that has jurisdiction over that portion of this state in which the  
18          farmer's land is located.

19          **SECTION 5.** Chapter 4.1-55 of the North Dakota Century Code is created and enacted as  
20 follows:

21          **4.1-55-01. State fair association - North Dakota state fair.**

22          The North Dakota state fair association shall conduct an annual North Dakota state fair,  
23          including exhibition of the agricultural, stockbreeding, horticultural, mining, mechanical,  
24          industrial, and other products and resources of this state. The North Dakota state fair must be  
25          held at Minot, North Dakota, at a site to be selected by the state fair association. No other fair in  
26          the state may include in its name the words "state fair".

27          **4.1-55-02. State fair association members.**

28          1. The state fair association membership must be selected in the following manner:  
29                a. Three members must be chosen annually from each county, who are residents of  
30                the county. From each county, one member must be selected by the county fair  
31                board, one member selected by the board of county commissioners, and one

1 member selected by the county agent. In a county in which there is no county fair  
2 board or county agent, or neither, the board of county commissioners shall select  
3 the members for which there is no other appointing authority under this  
4 subsection. A majority of the members must be selected under this subsection.

5 b. By a two-thirds vote of the board of directors, the directors may elect individuals  
6 as nonvoting honorary life members in recognition of eminent services in  
7 agriculture, horticulture, or associated arts and sciences; long and faithful service  
8 in the association; or benefits conferred upon the association.

9 2. The election and selection of members must be made and certified to the state fair  
10 association on or before each annual meeting. The term of each member, except  
11 honorary life members, begins at the opening of the annual meeting after being  
12 chosen under subsection 1 and continues until the opening of the succeeding annual  
13 meeting. Each member holds office until that member's successor is chosen and  
14 qualified. A member who is a director remains a member through that member's term  
15 of office as director. Any member may resign from membership by filing a written  
16 resignation with the secretary of the association but memberships are not transferable  
17 or assignable. By majority vote of all members of the board, the board of directors may  
18 suspend or expel a member for cause.

19 **4.1-55-03. Meetings of the association - Time and place - Notice.**

20 1. The annual meeting of the state fair association must be held as provided in the  
21 bylaws of the association. The annual meeting must include election of directors and  
22 the transaction of other business of the association. If the election of directors is not  
23 held on the day designated for the annual meeting or at an adjournment of the annual  
24 meeting, the board of directors shall cause the election to be held at a special meeting  
25 as soon thereafter as convenient. The failure to hold the annual meeting at the  
26 designated time does not result in a forfeiture or dissolution of the association.

27 2. A special meeting may be held upon the call of the president or by order of the board  
28 of directors. The president shall call a special meeting upon request by ten percent or  
29 more of the association members.

30 3. The president or board of directors, whichever calls the meeting, may designate any  
31 place within the state as the place of an annual or special meeting.

1       4. At least ten but not more than fifty days before an association meeting, written or  
2       printed notice stating the place, day, and hour of any meeting of the association must  
3       be delivered to each member entitled to vote at the meeting, personally or by mail or  
4       by any form of digital communication directed with verification of receipt to a digital  
5       communication address at which the member has consented to receive notice.  
6       Delivery of notice must be done by, or at the direction of, the president or the secretary  
7       or the officers or persons calling the meeting. For a special meeting, or when required  
8       by law or the bylaws, the purpose for which the meeting is called must be stated in the  
9       notice. If mailed, the notice of the meeting is deemed to be delivered when deposited  
10       in the United States mail, addressed to the member at the member's address as it  
11       appears on the records of the association with prepaid postage.

12       **4.1-55-04. Compensation and expenses of members.**

13       Each member of the board of directors is entitled to receive compensation in the amount of  
14       one hundred thirty-five dollars per day plus reimbursement of expenses as provided by law for  
15       state officers while attending meetings or performing duties directed by the board. The board of  
16       directors may pay to members rendering unusual or special services to the association special  
17       compensation appropriate to the value of the services.

18       **4.1-55-05. Board of directors - Terms.**

19       The affairs of the state fair association must be managed by its board of directors, which  
20       must consist of nine members unless otherwise provided in the association bylaws. A decrease  
21       in the number of directors may not affect the term of any incumbent director. Each director shall  
22       hold office for a term of three years, and until that director's successor has been elected and  
23       qualified. The terms of the directors must be staggered so three directors are elected annually.  
24       The directors must be members of the state fair association and residents of the state.

25       **4.1-55-06. Annual meeting of the board of directors - Special meetings - Notice.**

26       1. A regular annual meeting of the board of directors must be held immediately after and  
27       at the same place as the annual meeting of the association. Notice of the regular  
28       annual meeting of the board of directors must be included in the notice of the annual  
29       meeting of the state fair association. The board of directors may provide by resolution  
30       the time and place for the holding of additional regular meetings of the board without  
31       other notice than that resolution.



- 1       2. Special meetings of the board of directors may be called by the president or upon the  
2       written request of two of the directors. The president shall fix the time and place for the  
3       holding of any special meeting of the board of directors.
- 4       3. Notice of any special meeting of the board must be given to each director at least  
5       three days before the meeting by written notice delivered personally, sent by mail, or  
6       by any form of digital communication directed with verification of receipt to a digital  
7       communication address at which the director has consented to receive notice. Any  
8       director may waive notice of any meeting. The attendance of a director at any meeting  
9       constitutes a waiver of notice of that meeting, except when a director attends a  
10      meeting for the express purpose of objecting to the transaction of any business  
11      because the meeting is not lawfully called or convened. Neither the business to be  
12      transacted, nor the purpose of any regular or special meeting of the board of directors,  
13      need be specified in the notice or waiver of notice of such meeting.

14      **4.1-55-07. Quorum of board of directors to transact business.**

15      A majority of the board of directors constitutes a quorum for the transaction of business at  
16      any meeting of the board. If less than a majority of the directors are present at a meeting, a  
17      majority of those present may adjourn the meeting from time to time without further notice. The  
18      act of a majority of the directors present at a meeting at which a quorum is present is the act of  
19      the board of directors unless the act of a greater number is required by law or by the bylaws. A  
20      director participating in a meeting through an electronic communication medium may be  
21      considered to be present at the meeting for purposes of this chapter.

22      **4.1-55-08. Vacancies and special compensation of board members.**

23      Any vacancy occurring on the board of directors must be filled by the board of directors for  
24      the unexpired term of the vacancy. The board of directors may contract for and pay directors  
25      rendering unusual or exceptional services to the association special compensation appropriate  
26      to the value of those services.

27      **4.1-55-09. Officers - Removal - Vacancies.**

28      The officers of the association must be a president, vice president, secretary, treasurer, and  
29      such other officers as may be created by the board of directors. An officer of the association  
30      shall perform the duties of the office as prescribed by law, the bylaws, or the board of directors.  
31      Any two or more offices may be held by the same individual except the offices of president and

1 secretary. The president, vice president, secretary, and treasurer must be elected annually by  
2 the board of directors. Any office created by the board may be filled by appointment at any  
3 meeting of the board. Each elected officer holds office until that officer's successor has been  
4 duly elected and qualified. Any officer elected or appointed may be removed by the board. The  
5 removal of any officer is without prejudice to any contractual rights of the officer. Election or  
6 appointment of an officer or agent does not create contractual rights. A vacancy in any office  
7 may be filled by the board of directors for the unexpired portion of the term.

8 **4.1-55-10. Officers - Duties.**

- 9 1. The president is the principal executive officer of the association and shall supervise  
10 and control the business and affairs of the association and preside at all meetings of  
11 the association and the board of directors. The president may sign, with the secretary  
12 or any other officer of the association authorized by the board of directors, any deeds,  
13 mortgages, bonds, contracts, or other instruments the board of directors has  
14 authorized to be executed, except when the signing is expressly delegated by the  
15 board of directors, the bylaws, or law to some other officer or agent of the association.  
16 The president shall perform all duties incident to the office of president and duties as  
17 may be prescribed by the board of directors.
- 18 2. In the absence, inability, or refusal to act of the president, the vice president shall  
19 perform the duties of the president and when so acting has all the power of and is  
20 subject to all the restrictions upon the president. If there is more than one vice  
21 president, the vice president elected or appointed earliest in time shall perform the  
22 duties of the president. A vice president shall perform such duties as assigned by the  
23 president or board of directors.
- 24 3. If required by the board of directors, the treasurer shall give a bond for the faithful  
25 discharge of the treasurer's duties in a sum with that surety as determined by the  
26 board. The treasurer shall perform or supervise the performance of all the duties  
27 incident to the office of the treasurer and shall:
- 28 a. Keep accurate financial records for the association;  
29 b. Deposit all money, drafts, and checks in the name of and to the credit of the  
30 association in the depositories designated by the board;

- 1           c. Endorse for deposit all notes, checks, and drafts received by the association as  
2           directed by the board, making proper vouchers;
- 3           d. Disburse association funds and issue checks and drafts in the name of the  
4           association, as directed by the board;
- 5           e. Give to the president and the board, when requested, an account of all  
6           transactions by the treasurer and of the financial condition of the association; and
- 7           f. Perform other duties assigned by the board or the president.
- 8           4. The secretary shall keep the minutes of the meetings of the board of directors; see  
9           that all notices are duly given in accordance with the bylaws or as required by law; be  
10          custodian of the association records; keep a register of the post-office address of each  
11          member as furnished to the secretary by the member; and, in general, perform or  
12          supervise the performance of all duties incident to the office of secretary and other  
13          duties as assigned by the president or by the board of directors.
- 14          5. Any other officers created by the board of directors may be required to give bonds for  
15          the faithful discharge of their duties in such a and with that sureties as determined by  
16          the board of directors and shall perform duties assigned to them by the treasurer,  
17          secretary, president, or board of directors.

18          **4.1-55-11. Director's liability limited.**

19          The individual members of the board of directors of the state fair association are not liable  
20          for the negligence of any person, firm, corporation, or limited liability company staging any  
21          show, race, or other amusement at the state fair, nor for the negligence of any person employed  
22          by them.

23          **4.1-55-12. Bylaws, rules, and regulations.**

24          The state fair association may make all bylaws, rules, and regulations, not inconsistent with  
25          law, which it deems necessary or proper to carry out its responsibilities under this chapter and  
26          for the government of the state fair grounds, and for all activities on the state fair grounds, and  
27          for the protection, health, safety, and comfort of the public. The bylaws, rules, and regulations  
28          are in effect from the time of filing with the secretary of the association.

29          **4.1-55-13. Appointment of necessary employees.**

30          The president, or any other person delegated the authority by the board of directors, shall  
31          appoint and employ deputies and other subordinates; contractors, architects, builders, clerks,

1 accountants, and other experts; and agents and servants as required to carry out the functions  
2 of the state fair association. Salaries and other compensation must be set by the president and  
3 board of directors and any expenses incurred in the performance of employment must be  
4 reimbursed in the same manner and for the same amounts as is provided for officials and  
5 employees of the state.

6 **4.1-55-14. State fair operating fund - Continuing appropriation.**

7 A special fund for the North Dakota state fair association to be known as the state fair  
8 operating fund must be maintained in the state treasury. All income, fees, rents, interest, and  
9 any other moneys, from any source derived by the state fair association, must be deposited in  
10 that fund for the use of the North Dakota state fair association. Moneys credited to the fund are  
11 appropriated as a standing appropriation for the purposes provided in this chapter. The fund is  
12 not subject to section 54-44.1-11.

13 **4.1-55-15. Organization under corporation laws - Real property transactions -**  
14 **Contracts.**

15 The state fair association has the rights, privileges, and liabilities of a corporation under the  
16 corporation laws of this state except as provided by this chapter. The association may purchase,  
17 hold, lease, exchange, trade, or sell real estate for the purpose of promoting and conducting a  
18 state fair. Real estate controlled by the state fair association may be leased, subleased, rented,  
19 or used for other than fair purposes when the property is not needed for fair purposes. The state  
20 fair association may contract in its own name, but as an agency of the state, and shall make all  
21 of its purchases under the purchasing laws of the state, except as exempted by the director of  
22 the office of management and budget.

23 **4.1-55-16. Name in which business conducted and titles taken - Execution of written**  
24 **instruments.**

25 All business of the association must be conducted under the name of "North Dakota state  
26 fair association". Title to property obtained in regard to the operation of the association must be  
27 obtained and conveyed in the name of the state of North Dakota, doing business as the North  
28 Dakota state fair association. Written instruments must be executed in the name of the state of  
29 North Dakota.

1        **4.1-55-17. Certified audit of state fair association.**

2        The state fair association shall submit annually to the governor and the legislative audit and  
3 fiscal review committee an audit report prepared by a certified public accountant based upon an  
4 audit of all records and accounts of the association.

5        **4.1-55-18. Attorney general to act as legal adviser.**

6        The attorney general shall appoint an assistant attorney general or a special assistant  
7 attorney general to provide legal assistance to the state fair association. The appointment is  
8 revocable at the pleasure of the attorney general. This section does not prohibit the state fair  
9 association from employing any other attorney to carry out the legal functions of the association  
10 or provide additional legal services, other than those provided through the office of the attorney  
11 general, necessary for the proper administration of the state fair association.

12       **4.1-55-19. Law enforcement - Arrangements with local law enforcement agencies.**

13       The state fair association shall make arrangements with local law enforcement agencies for  
14 the provision of law enforcement personnel. For the purpose of enforcing any state and local  
15 laws, rules, regulations, bylaws, and ordinances of the state fair association, negotiations may  
16 be entered with local law enforcement agencies for the use of law enforcement personnel or the  
17 deputizing of employees of the state fair association. The cost of providing law enforcement  
18 personnel is the responsibility of the state fair association, except in the case of law  
19 enforcement officials who are functioning in their normal capacity as agents of the state or its  
20 political subdivisions. Law enforcement personnel shall wear appropriate badges of office while  
21 acting as such.

22       **4.1-55-20. Service of process.**

23       In any action or proceeding upon a claim arising out of the conduct of the state fair, service  
24 of process may be made as provided in section 53-05-04.

25       **4.1-55-21. Regulation and licensing.**

26       The state fair association shall regulate all shows, exhibitions, performances,  
27 establishments, and privileges carried on during the state fair and ensure those enterprises are  
28 properly licensed according to local and state laws. The state fair association may license any  
29 enterprises not required to be licensed by state or local laws. The state fair association shall  
30 ensure that shows, exhibitions, performances, establishments, and exercise of fair privileges

1 are conducted in compliance with all state and local laws and all rules and regulations of the  
2 state fair association.

3 **4.1-55-22. Nonliability of state for debts - Exception.**

4 The state is not liable for any of the debts or liabilities of the state fair association except as  
5 appropriations are made for that purpose by the legislative assembly.

6 **4.1-55-23. Annual report.**

7 The secretary or other officer charged with compiling an annual report of the proceedings of  
8 the state fair association and its financial condition for the preceding fiscal year by the annual  
9 meeting shall file a copy in the office of the agriculture commissioner. The commissioner shall  
10 include it, in whole or in part, in the commissioner's biennial report to the governor and the  
11 secretary of state.

12 **4.1-55-24. The Iverson grandstand.**

13 The grandstand constructed by the state fair association on the state fairgrounds during the  
14 2009-11 biennium is designated the Iverson grandstand.

15 **SECTION 6.** Chapter 11-38 of the North Dakota Century Code is created and enacted as  
16 follows:

17 **11-38-01. County extension agent - Petition to authorize or discontinue levy - Election**  
18 **- Levy limitations.**

19 1. Upon the filing with the county auditor at least sixty-four days before the date of a  
20 general election of a petition to authorize or discontinue a tax levy for extension work,  
21 containing the names of twenty percent of the qualified electors of the county as  
22 determined by the votes cast for governor in the county in the most recent  
23 gubernatorial election, the board of county commissioners shall submit to the qualified  
24 electors at the next general election the question of authorizing or discontinuing a tax  
25 levy for extension work. Upon approval by a majority of qualified electors of the county  
26 voting on the question of authorizing a tax levy for extension work, the board of county  
27 commissioners may levy a tax of up to two mills as provided in subsection 2 of section  
28 57-15-06.7. Upon approval by a majority of qualified electors of the county voting on  
29 the question of discontinuing a tax levy for extension work, the board of county  
30 commissioners shall terminate any levy or additional levy previously authorized under  
31 this chapter and may terminate county expenditures for extension work.

1       2. The board of county commissioners may submit to the electors at a primary or general  
2       election the question of approval of voter-approved additional levy authority for  
3       extension work for a period not exceeding ten years and if approved by a majority of  
4       the electors voting on the question, the board of county commissioners may levy an  
5       additional tax not exceeding the limitation in subsection 2 of section 57-15-06.7.  
6       Voter-approved additional levy authority authorized by electors of a county before  
7       January 1, 2015, remains in effect through taxable year 2024 or for the time period  
8       authorized by the electors, whichever expires first. After January 1, 2015, approval or  
9       reauthorization by electors of voter-approved additional levy authority under this  
10      section may not be effective for more than ten taxable years.

11      3. The board of county commissioners may appropriate funds out of the county general  
12      fund to cover any unanticipated deficiency in funding for extension work. All funds  
13      raised by levies under this chapter must be appropriated by the board of county  
14      commissioners for the purposes set forth in this chapter.

15      **11-38-02. Form of petitions.**

16      The petitions provided for in section 11-38-01 must be in substantially the following form:

17      PETITION REGARDING LEVY FOR EXTENSION WORK

18      We, the undersigned, qualified electors of \_\_\_\_\_ County, North Dakota, petition the  
19      board of county commissioners that it [levy or discontinue the levy of] a tax not to exceed two  
20      mills to employ an extension agent for the purpose of carrying on extension work in cooperation  
21      with the North Dakota state university extension service.

22      **11-38-03. Form of ballot.**

23      The question to be voted upon as provided in section 11-38-01 must be submitted on a  
24      separate ballot and must be worded as follows:

25      1. For a petition to authorize a levy:

26          For extension work \_\_\_\_\_

27          Against extension work \_\_\_\_\_

28      2. For a petition to discontinue a levy:

29          For discontinuing the extension work levy \_\_\_\_\_

30          Against discontinuing the extension work levy \_\_\_\_\_

1        **11-38-04. Extension agent selection.**

2        When a majority of the votes are cast to authorize a tax levy for extension work, by the  
3 following July first the North Dakota state university extension service shall conduct interviews  
4 and select a candidate for extension agent.

5        If a vacancy occurs in the extension agent position, the North Dakota state university  
6 extension service, with approval of the board of county commissioners, shall conduct interviews  
7 and select a candidate for extension agent.

8        **11-38-05. Discontinuance of extension work levy - Transfer of unobligated funds.**

9        If a majority of the votes cast at an election to discontinue authority for a tax levy under  
10 section 11-38-01 are in favor of discontinuing authority for the levy for extension work, the tax  
11 levy and the services of the extension agent must be discontinued on the thirty-first day of  
12 December following the date of election. Upon the discontinuance of extension work,  
13 accumulated and unobligated funds remaining in the special fund for that purpose must be  
14 transferred to the county general fund and the special fund must be closed out.

15        **11-38-06. Budgeting for extension work.**

- 16        1. When the board of county commissioners is authorized to make a levy for the  
17 employment of an extension agent, the board shall provide an annual budget that  
18 stipulates the salary of the agent, field and office expenses, and allowance for staff.
- 19        2. The budget must be revised annually to account for changes in agent and staff  
20 salaries and operating expenses. The board of county commissioners annually shall  
21 provide the North Dakota state university extension service input on the extension  
22 agent's performance. The extension agent's annual salary adjustment must be agreed  
23 upon by the board of county commissioners and the extension service based on the  
24 agent's annual performance and consideration of county and extension service budget  
25 limitations.
- 26        3. After agreeing upon a budget and after deducting the amount of funds contributed  
27 from federal and state funds, the board of county commissioners shall levy within the  
28 authorization under this chapter or appropriate funds out of the county general fund, or  
29 both, to cover the county's share of the budget.



1        **11-38-07. Extension agent to submit monthly account of expenditures.**

2        The extension agent shall submit monthly an accurate itemized account of all expenditures  
3 incurred by the agent in the regular conduct of duties to the North Dakota state university  
4 extension service for examination and audit. When charges are made by an extension agent for  
5 money expended in the performance of official duties and consistent with the approved budget,  
6 expenditures must be covered by a subvoucher or receipt according to county policy for  
7 reimbursement. The subvoucher or receipt must show at what place, on what date, and for what  
8 the money expended was paid. The extension agent shall forward the subvouchers or receipts  
9 with the bill, claim, account, or demand against the county. Charges made for transportation  
10 expenses may not exceed the amounts provided by section 11-10-15, and must be in itemized  
11 form showing the mileage traveled, the days when and how traveled, and the purpose of travel,  
12 verified by affidavit. The account must be transmitted and recommended for payment by the  
13 North Dakota state university extension service which shall audit and approve or disallow any  
14 expense item.

15        **11-38-08. Achievement days - Premiums - Report of extension agent.**

16        In July of each year the office of management and budget shall pay from funds appropriated  
17 for boys' and girls' clubwork a sum not to exceed five hundred dollars to the extension agent of  
18 each county within the state conducting boys' and girls' achievement days, to be used  
19 exclusively for the payment of premiums at the boys' and girls' achievement days. Within thirty  
20 days following the boys' and girls' achievement days, the extension agent shall refund to the  
21 office of management and budget any balance not expended, which must be remitted to the  
22 state treasurer and placed to the credit of the general fund.

23        **11-38-09. Direction and supervision of extension agent.**

24        The North Dakota state university extension service shall actively direct and supervise the  
25 work of the extension agent. The extension agent regularly shall request feedback from the  
26 board of county commissioners on county programs, based on local and state needs  
27 considerations. The work of the county agent may not conflict with state or federal laws or  
28 regulations governing appropriations for extension work.

1        **11-38-10. Report to board of county commissioners.**

2        An extension agent shall file a statement of the agent's work with the board of county  
3 commissioners either monthly or within a mutually agreed upon timeframe not to exceed one  
4 year.

5        **11-38-11. Dissatisfaction with extension agent - Meeting to be arranged.**

6        If the North Dakota state university extension service or the board of county commissioners  
7 becomes dissatisfied with the performance of an extension agent or the level of funding support  
8 required, the dissatisfied entity shall arrange a joint meeting at which detailed information as to  
9 the dissatisfaction with the performance of the agent or the level of funding support required  
10 must be presented and such joint action taken as is justified by the evidence.

11       **11-38-12. Administration - Position adjustments - Budget section report.**

12       The state board of agricultural research and education and the president of North Dakota  
13 state university shall control and administer the North Dakota state university extension service  
14 subject to the supervision of the state board of higher education. Funds appropriated to the  
15 North Dakota state university extension service may not be commingled with funds appropriated  
16 to North Dakota state university. An appropriation request to defray expenses of the North  
17 Dakota state university extension service must be separate from an appropriation request to  
18 defray expenses of North Dakota state university. Subject to the availability of funds, the director  
19 of the North Dakota state university extension service may adjust or increase full-time or  
20 part-time equivalent positions to carry out the mission of the extension service. All full-time or  
21 part-time positions must be separate from North Dakota state university. Annually, the director of  
22 the North Dakota state university extension service shall report to the office of management and  
23 budget and to the budget section any adjustments or increases made under this section.

24       **SECTION 7.** Chapter 11-39 of the North Dakota Century Code is created and enacted as  
25 follows:

26       **11-39-01. County fair association organization as nonprofit corporation.**

27       A county fair association must be organized under the nonprofit corporation laws of this  
28 state. In addition to the powers and duties of nonprofit corporations under the laws of this state,  
29 a county fair association has the powers and duties specified in this chapter.

1       **11-39-02. Fair association - County funding.**

- 2       1. A fair association may be organized in any county. The officers and directors must be  
3       residents of the county or, if the association is to conduct a multicounty fair, residents  
4       of one of the participating counties. The association may make written application to  
5       the board of county commissioners for a grant to aid in the erection of buildings and  
6       other improvements suitable to conduct the fair and to pay premiums and expenses  
7       that may be awarded on fair exhibits. An application must include evidence that the  
8       association is incorporated in this state as a nonprofit corporation, the names and  
9       places of residence of all its officers and directors, and evidence of ownership or right  
10       to use of sufficient real property in the county to conduct the fair.
- 11       2. The board of county commissioners may not provide county funding or official county  
12       fair authorization under this chapter to more than one fair association or to any  
13       association organized for profit.
- 14       3. If the board of county commissioners is satisfied the statements in the application are  
15       true and the association intends in good faith to annually hold a fair within the county  
16       for the exhibition of agricultural, livestock, horticultural, mining, mechanical, industrial,  
17       and manufactured products of the county, and of those articles as are usually  
18       exhibited at fairs, and other public displays of human art, industry, and skill, the board  
19       may provide the association official county fair authorization and funding from  
20       revenues derived from the county general fund levy authority. If the funding is  
21       approved, the county treasurer shall pay to the secretary of the association, by the  
22       following July thirty-first, the amount of funding approved and shall take the receipt of  
23       the association for the payment.
- 24       4. Any amount received by the county fair association must be deposited by the  
25       secretary of the association in a special fund.
- 26       5. To promote holding a county fair, the board of county commissioners may purchase or  
27       lease in the name of the county not to exceed two hundred forty acres [97.12  
28       hectares] of real estate and construct buildings and improvements for the conduct of a  
29       county fair. The board of county commissioners may issue bonds in the name of the  
30       county if approved by electors of the county in accordance with sections 21-03-06 and

1           21-03-07 to purchase not to exceed two hundred forty acres [97.12 hectares], of real  
2           estate and construct buildings and improvements for the conduct of a county fair.

3           6. Upon the board's own motion, the board of county commissioners may continue to  
4           provide funding under this section after the first year's grant of aid.

5           7. The authority of this section may be used by a county to join in formation and funding  
6           of a multicounty fair association under terms of an agreement with one or more other  
7           counties.

8           **11-39-03. County fair association funding to be submitted to vote.**

9           If the board of county commissioners has voted and ordered county general fund funding  
10          for a fair association and a petition is addressed to the board and filed with the county auditor,  
11          asking the discontinuance of the funding and containing the signatures of qualified electors of  
12          the county in a number equal to twenty percent or more of the total vote cast in the county at  
13          the last preceding general election, the board shall submit to the qualified electors of the county  
14          at the next succeeding general election the question of whether funding is to be continued. The  
15          ballot must be in the following form:

16                 Shall the board of county commissioners continue the annual                         Yes   
17                 funding in aid of a county fair?   No

18          If a majority of all the ballots cast on the question at the election is in favor of discontinuing the  
19          funding, the board of county commissioners may not thereafter provide funding in aid of a  
20          county fair under this chapter until the question of resuming the annual funding is approved by a  
21          vote of the qualified electors of the county. The ballot must be in the following form:

22                 Shall the board of county commissioners resume the annual                         Yes   
23                 funding in aid of a county fair?   No

24          If a majority of the ballots cast on the question at the election is in favor of resuming the funding,  
25          the board of county commissioners shall resume the annual funding subject to the other  
26          provisions of this chapter.

27           **11-39-04. County fair authorization - Forfeiture.**

28          Any county fair association that fails to hold a county fair for ten consecutive years forfeits  
29          its official authorization. After a forfeiture, another fair association may organize within a county  
30          and apply, or the forfeiting organization may reapply, to the board of county commissioners for  
31          official county fair authorization and aid under this chapter.

1        **11-39-05. Disposition of property.**

2        The board of county commissioners may sell property used for county fair purposes and  
3 held in the name of the county upon terms and conditions set by the board. The proceeds of  
4 such sale must be placed in the county general fund.

5        If the county fair association fails to hold a fair within the county for two consecutive years,  
6 the board of county commissioners may direct that any county property on hand be sold and the  
7 proceeds of the sale and any unexpended balance in the county fair fund be transferred to the  
8 county general fund.

9        **11-39-06. County funding to cease when fair not held - Misappropriation of funds.**

10       The board of county commissioners shall refuse to provide funding for a county fair  
11 association that failed to hold a fair within the county in any year for which it has received  
12 funding from the county. In such a case, the board of county commissioners shall inquire into  
13 the disposition of moneys paid by the county to the association after its last annual report, and if  
14 there has been any misappropriation it shall institute proceedings at once to recover the sum  
15 misappropriated. For any such misappropriation, the officers, trustees, or directors of the  
16 association shall be liable personally to the county.

17       **11-39-07. Power to make regulations governing premises.**

18       Fair associations may make rules, regulations, and provisions necessary and proper for the  
19 government, management, and control of the premises used by them for the holding of fairs and  
20 expositions and for the regulation of the use of the premises.

21       **11-39-08. Director's civil immunity.**

22       The individual members of the board of directors of any fair association are immune from  
23 civil liability for any act or omission relating to service as a director for the negligence of any  
24 person, firm, corporation, or limited liability company staging any show, race, or other  
25 amusement at any county or municipal fair and are immune from civil liability for any negligence  
26 of any person employed by the board of directors or the association conducting such fair.

27       **11-39-09. Treasurer to give bond - Duty of officers and directors.**

28       The officers and directors of any fair association shall require the treasurer of the  
29 association to give a sufficient bond to those officers and directors, conditioned for the faithful  
30 keeping of that money as may come into the treasurer's hands as the treasurer. The treasurer  
31 may not receive funds of a fair association until the treasurer is properly bonded.

1        **11-39-10. Nonliability of state for debts - Exception.**

2        The state is not liable for any of the debts or liabilities of a fair association except to the  
3 extent appropriations are made for that purpose by the legislative assembly.

4        **SECTION 8.** Chapter 15-12.1 of the North Dakota Century Code is created and enacted as  
5 follows:

6        **15-12.1-01. Definitions.**

7        In this chapter, unless the context otherwise requires:

8        1. "Agricultural experiment station" means the North Dakota state university main  
9 research center, the Dickinson research extension center, the Williston research  
10 extension center, the Langdon research extension center, the central grasslands  
11 research extension center, the Carrington research extension center, the Hettinger  
12 research extension center, the north central research extension center, the agronomy  
13 seed farm, and any other department or agency designated by the state board of  
14 higher education.

15        2. "Center director" means the administrator in charge of a research or research  
16 extension center.

17        3. "Station director" means the administrator of the agricultural experiment station.

18        **15-12.1-02. Agricultural experiment station.**

19        The state board of agricultural research and education and the president of North Dakota  
20 state university shall control and administer the North Dakota agricultural experiment station  
21 subject to the supervision of the state board of higher education. Funds appropriated to the  
22 agricultural experiment station may not be commingled with funds appropriated to North Dakota  
23 state university. Appropriation requests to defray expenses of the agricultural experiment station  
24 must be separate from appropriation requests to defray expenses of North Dakota state  
25 university.

26        **15-12.1-03. Center directors - Research and research extension centers - Records**  
27 **and information.**

28        The station director has jurisdiction over the research and research extension centers of the  
29 agricultural experiment station. The center director shall administer each research or research  
30 extension center. The center director shall report to the station director. Each research or  
31 research extension center shall keep detailed records of all research activities. The research or

1 research extension center shall publish and disseminate research results and information for  
2 the benefit of this state.

3 **15-12.1-04. Reports.**

4 Each center director shall submit an annual report to the station director. Each report must  
5 set forth in detail the investigations and experiments made during the preceding year,  
6 recommendations for the welfare of the center, the financial condition of the center, how all  
7 moneys have been expended during the preceding year, and the results of all experiments that  
8 have been completed during the preceding year. By September first of each year, the station  
9 director shall submit these reports, with a report of the North Dakota state university main  
10 research center, to the state board of agricultural research and education and the state board of  
11 higher education by.

12 **15-12.1-05. North Dakota state university main research center position adjustments -**  
13 **Budget section report.**

14 The North Dakota state university main research center must be located on the campus of  
15 North Dakota state university of agriculture and applied science. The center is the administrative  
16 location of the agricultural experiment station. The center shall conduct research and coordinate  
17 all research activities of the agricultural experiment station. The research must have, as a  
18 purpose, the development and dissemination of technology important to the production and  
19 utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research must  
20 provide for the enhancement of quality of life, sustainability of production, and protection of the  
21 environment. The station director may adjust or increase full-time equivalent positions to carry  
22 out activities to accomplish the mission of the agricultural experiment station, subject to the  
23 availability of funds. All full or partial positions must be separate from North Dakota state  
24 university. The station director shall report annually to the office of management and budget and  
25 to the budget section any adjustments or increases made under this section. The center may  
26 conduct baseline research, including production and processing in conjunction with the  
27 research and extension centers of the state, regarding industrial hemp and other alternative  
28 industrial use crops. The center may collect feral hemp seed stock and develop appropriate  
29 adapted strains of industrial hemp which contain less than three-tenths of one percent  
30 tetrahydrocannabinol in the dried flowering tops. The agriculture commissioner shall monitor the

1 collection of feral hemp seed stock and industrial hemp strain development and shall certify  
2 appropriate stocks for licensed commercial cultivation.

3 **15-12.1-06. Dickinson research extension center.**

4 The Dickinson research extension center must be located in or near Dickinson in Stark  
5 County. The center shall conduct research:

- 6 1. On increasing the carrying capacity of native rangeland, with emphasis on  
7 conservation and preservation for future generations;
- 8 2. On grass production to determine how to best compensate for the vagaries of the  
9 weather as it influences forage production in the agriculture of western North Dakota;
- 10 3. At the ranch location in Dunn County with beef cattle and swine on breeding, feeding,  
11 management, and disease control for the benefit of livestock producers of western  
12 North Dakota and the entire state; and
- 13 4. Designed to increase productivity of all agricultural products of the soil by maintaining  
14 or improving the soil resource base in the agricultural region of southwestern North  
15 Dakota by:
  - 16 a. The identification of adapted crop species and superior crop cultivars;
  - 17 b. Propagation and distribution of selected seed stock; and
  - 18 c. Development of profitable cropping systems that achieve the necessary balance  
19 between profitability and conservation of all natural resources.

20 **15-12.1-07. Williston research extension center.**

21 The Williston research extension center must be located in or near Williston in Williams  
22 County. The center shall conduct research designed to increase productivity of all agricultural  
23 products of the soil while maintaining or improving the soil resource base in the agricultural  
24 region of northwestern North Dakota by:

- 25 1. The identification of adapted crop species and superior crop cultivars;
- 26 2. Propagation and distribution of selected seed stocks; and
- 27 3. Development of profitable cropping systems that achieve the necessary balance  
28 between profitability and conservation of all natural resources.

29 **15-12.1-08. Langdon research extension center.**

30 The Langdon research extension center must be located in or near Langdon in Cavalier  
31 County. The center shall conduct research designed to increase productivity of all agricultural



1 products of the soil while maintaining or improving the soil resource base in the agricultural  
2 region of northeastern North Dakota by:

- 3 1. The identification of adapted crop species and superior crop cultivars;
- 4 2. Propagation and distribution of selected seed stocks; and
- 5 3. Development of profitable cropping systems that achieve the necessary balance  
6 between profitability and conservation of all natural resources.

7 **15-12.1-09. Central grasslands research extension center.**

8 The central grasslands research extension center must be located within an area bounded  
9 by the Missouri River on the west and the James River on the east. The center shall conduct  
10 research:

- 11 1. Designed to fulfill needs within an area bounded by the Missouri River on the west and  
12 the James River on the east; and
- 13 2. To increase the range-carrying capacity of native range, with emphasis on:
  - 14 a. The conservation and preservation for future generations;
  - 15 b. The stabilization of grass production to discover how to best compensate for the  
16 vagaries of the weather and precipitation as it influences forage production in  
17 agriculture;
  - 18 c. The identification of the impact of different management systems upon beef  
19 production in the central region of the state; and
  - 20 d. The exploration of increased use of crop residues and byproducts for the  
21 maintenance of the cowherd.

22 **15-12.1-10. Carrington research extension center.**

23 The Carrington research extension center must be located in or near Carrington in Foster  
24 County. The center shall conduct research designed to:

- 25 1. Determine the potential of irrigated agriculture in the region proposed for irrigation  
26 development in the state which must be related to both crop and livestock production;  
27 and
- 28 2. Increase productivity of all agricultural products of the soil while maintaining or  
29 improving the soil resource base in the agricultural region of east central North Dakota  
30 by:
  - 31 a. The identification of adapted crop species and superior crop cultivars;

- 1           b. Propagation and distribution of selected seed stocks; and
- 2           c. Development of profitable cropping and integrated crop and livestock systems
- 3           that achieve the necessary balance between profitability and conservation of all
- 4           natural resources.

5           **15-12.1-11. Hettinger research extension center.**

6           The Hettinger research extension center must be located in or near Hettinger in Adams  
7 County. The center shall develop the best available technology in breeding, feeding,  
8 management, and disease control pertinent to the production of sheep in the state. The center  
9 shall conduct research designed to increase productivity of all agricultural products of the soil  
10 while maintaining or improving the soil resource base in southwestern North Dakota by:

- 11           1. The identification of adapted crop species and superior crop cultivars;
- 12           2. Propagation and distribution of selected seed stocks; and
- 13           3. Development of profitable cropping systems that achieve the necessary balance
- 14           between profitability and conservation of all natural resources.

15           **15-12.1-12. North central research extension center.**

16           The north central research extension center must be located in or near Minot in Ward  
17 County. The center shall conduct research designed to increase productivity of all agricultural  
18 products of the soil while maintaining or improving the soil resource base in the agricultural  
19 region of north central North Dakota by:

- 20           1. The identification of adapted crop species and superior crop cultivars;
- 21           2. Propagation and distribution of selected seed stocks; and
- 22           3. Development of profitable cropping systems which achieve the necessary balance
- 23           between profitability and conservation of all natural resources.

24           **15-12.1-13. Agronomy seed farm - Investment of reserve income fund.**

25           At the direction of the center director of the agronomy seed farm with the approval of the  
26 station director, the state treasurer shall provide for the investment of available moneys in the  
27 agronomy seed farm reserve income fund. The state treasurer shall credit the investment  
28 income to the agronomy seed farm reserve income fund. The moneys in the fund may be spent  
29 only within the limits of legislative appropriation.

30           **15-12.1-14. State board of agricultural research and education - Membership - Terms.**

- 31           1. The state board of agricultural research and education consists of:

- 1           a. The president of North Dakota state university or the president's designee;
- 2           b. The vice president of agricultural affairs at North Dakota state university, who
- 3                 serves in an ex officio nonvoting capacity;
- 4           c. The administrator of the agricultural experiment station, who serves in an
- 5                 ex officio nonvoting capacity;
- 6           d. The five persons appointed to the state board of agricultural research and
- 7                 education by the ag coalition;
- 8           e. The five persons appointed to the state board of agricultural research and
- 9                 education by the extension service's multicounty program units;
- 10          f. The agriculture commissioner, who serves in an ex officio nonvoting capacity;
- 11          g. The director of the North Dakota state university extension service, who serves in
- 12                 an ex officio nonvoting capacity; and
- 13          h. Two members of the legislative assembly appointed by the chairman of the
- 14                 legislative management. The chairman shall appoint one member from each
- 15                 political faction. The terms of members are for two years and members may be
- 16                 reappointed. The legislative council shall pay the compensation and expense
- 17                 reimbursement for the legislative members.
- 18          2. a. The initial five members appointed by the ag coalition shall select their terms by
- 19                 lot so that one member serves for one year, one member serves for two years,
- 20                 one member serves for three years, one member serves for four years, and one
- 21                 member serves for five years.
- 22          b. The initial five members appointed by the extension service's multicounty
- 23                 program units shall select their terms by lot so that one member serves for one
- 24                 year, one member serves for two years, one member serves for three years, one
- 25                 member serves for four years, and one member serves for five years.
- 26          3. At the completion of each initial term, the term of office for each member is four years,
- 27                 beginning on July first. An individual may be reappointed to a second four-year term.
- 28          4. a. At least ninety days before the term of a member appointed by the ag coalition
- 29                 expires, the ag coalition shall provide to the state board of higher education a list
- 30                 of one or more names from which the state board of higher education shall

1           appoint a successor. The state board of higher education shall ensure four out of  
2           the five seats are held by agricultural producers.

3           b. At least ninety days before the term of a member appointed by the extension  
4           service's multicounty program units expires, the units through their advisory  
5           groups shall provide to the state board of higher education a list of one or more  
6           names from which the state board of higher education shall appoint a successor.  
7           The state board of higher education shall ensure four out of the five seats are  
8           held by agricultural producers.

9           5. If an appointed position becomes vacant, the vacancy must be filled for the unexpired  
10           portion of the term in the same manner as the initial appointment except that the  
11           ninety-day requirement is waived. An individual appointed under this subsection is  
12           eligible to serve two full terms after completing the unexpired term for which the  
13           individual was appointed.

14           **15-12.1-15. Compensation of board members - Expenses.**

15           Each appointed member of the state board of agricultural research and education is entitled  
16           to receive one hundred thirty-five dollars per day as compensation for the time actually spent  
17           devoted to the duties of office and is entitled to receive necessary expenses in the same  
18           manner and amounts as state officials for attending meetings and performing other functions of  
19           office.

20           **15-12.1-16. State board of agricultural research and education - Chairman - Meetings.**

21           The state board of agricultural research and education shall elect one of its members  
22           annually to serve as chairman. The board shall meet at the times and locations designated by  
23           the chairman in consultation with the vice president of agricultural affairs at North Dakota state  
24           university.

25           **15-12.1-17. State board of agricultural research and education - Duties.**

26           Within the policies of the state board of higher education, the state board of agricultural  
27           research and education is responsible for budgeting and policymaking associated with the  
28           agricultural experiment station and the North Dakota state university extension service. The  
29           state board of agricultural research and education shall:

30           1. Determine the causes of any adverse economic impacts on crops and livestock  
31           produced in this state;

- 1        2. Develop ongoing strategies for the provision of research solutions and resources to  
2            negate adverse economic impacts on crops and livestock produced in this state;
- 3        3. Develop proactive strategies for the extension service to fulfill the mission of improving  
4            the lives and livelihood of the citizens of North Dakota by providing research-based  
5            education;
- 6        4. Implement the strategies developed under subsections 2 and 3, subject to approval by  
7            the state board of higher education;
- 8        5. Develop, with the agricultural experiment station and the North Dakota state university  
9            extension service, an annual budget for the operations of these entities;
- 10       6. Develop a biennial budget request based on its prioritized needs list and submit that  
11            request to the president of North Dakota state university and the state board of higher  
12            education, and forward its prioritized needs list and request without modification to the  
13            office of management and budget and the appropriations committees of the legislative  
14            assembly;
- 15       7. Maximize the use of existing financial resources, equipment, and facilities to generate  
16            the greatest economic benefit from research and extension efforts and to promote  
17            efficiency;
- 18       8. Annually evaluate the results of research and extension activities and expenditures  
19            and report the findings to the legislative management and the state board of higher  
20            education;
- 21       9. Advise the president of North Dakota state university regarding the recruitment,  
22            selection, and performance of the vice president of agricultural affairs, the extension  
23            service director, and the station director; and
- 24       10. PresentProvide a status report to the budget section of the legislative management.

25        **15-12.1-18. Agricultural research fund - Continuing appropriation.**

26        The agricultural research fund is a special fund in the state treasury. Moneys in the fund are  
27        appropriated to the state board of agricultural research and education for purposes of  
28        agricultural research. Any interest earned by the fund must be returned to the fund.

1        **15-12.1-19. State board of agricultural research and education - Apportionment of**  
2 **research funds.**

- 3        1. The state board of agricultural research and education may use up to ten percent of  
4 the moneys in the agricultural research fund, not to exceed fifty thousand dollars per  
5 year, for administrative expenses and annually shall apportion the remaining proceeds  
6 of the agricultural research fund as follows:
- 7        a. Seventy percent to research activities affecting North Dakota agricultural  
8 commodities that account for at least two percent of the gross sales of all  
9 agricultural commodities grown or produced in the state. The percentage of the  
10 dollars available for each agricultural commodity under this section may not  
11 exceed the percentage that the gross sales of the agricultural commodity bear to  
12 the North Dakota gross sales of all agricultural commodities grown or produced  
13 during the previous year, as determined by the agricultural statistics service;
- 14        b. Eighteen percent to research activities affecting North Dakota animal agriculture;  
15 and
- 16        c. Twelve percent to research activities affecting new and emerging crops in North  
17 Dakota.
- 18        2. The state board of agricultural research and education shall solicit proposals for  
19 research from the public and private sectors and shall appoint committees to review  
20 the proposals and award the agricultural research grants on a competitive basis. Each  
21 committee must consist of a majority of agricultural producers selected in consultation  
22 with the agricultural commodity groups representing commodities that are the subjects  
23 of the proposed research and may include researchers and other individuals  
24 knowledgeable about the proposed area of research. Whenever possible, the  
25 committees shall require a grant recipient commit matching funds.
- 26        3. The state board of agricultural research and education shall develop policies regarding  
27 the award of research grants, including requirements for matching funds, cooperation  
28 with other in-state and out-of-state researchers, and coordination with other in-state  
29 and out-of-state proposed or ongoing research projects.

30        **SECTION 9.** A new section to chapter 19-02.1 of the North Dakota Century Code is created  
31 and enacted as follows:

1        **Eggs - Labeling and temperature rules.**

2        The state department of health may adopt appropriate rules under chapter 28-32 to  
3 establish standards for proper labeling and temperature during the retail storage and sale of  
4 shell eggs. As used in this section, "eggs" means eggs in the shell which are the product of a  
5 domesticated chicken.

6        **SECTION 10.** Chapter 54-60.3 of the North Dakota Century Code is created and enacted  
7 as follows:

8        **54-60.3-01. Agricultural products utilization commission - Composition -**  
9 **Appointment.**

10        The agricultural products utilization commission shall administer the agricultural products  
11 utilization fund. The commission shall consist of nine members, five of whom must be appointed  
12 by the governor for terms of two years each, arranged so that two terms expire in  
13 odd-numbered years and three terms expire in even-numbered years. Three members  
14 appointed by the governor must be actively engaged in farming in this state and two members  
15 appointed by the governor must be actively engaged in business in this state. The agriculture  
16 commissioner shall appoint one member for a term of two years which expires in odd-numbered  
17 years. The member appointed by the commissioner must be actively engaged in farming in this  
18 state. Commission members may be reappointed. Terms of commissioners commence on the  
19 first day of July. The commissioner of commerce, the president of North Dakota state university,  
20 and the agriculture commissioner, or their designees, are members of the commission. The  
21 commission shall elect one of its members as chairman.

22        **54-60.3-02. Agricultural products utilization commission - Authority.**

- 23        1. The North Dakota agricultural products utilization commission may apply for, accept,  
24 and expend any appropriation, grant, gift, or service made available from public or  
25 private sources.
- 26        2. The commission may administer grant programs including:
- 27            a. A basic and applied research grant program;
- 28            b. A utilization and marketing grant program;
- 29            c. A cooperative marketing grant program;
- 30            d. A nature-based tourism grant program;
- 31            e. A technical assistance grant program for value-added businesses;

- 1           f. A farm diversification grant program;  
2           g. An agricultural prototype development grant program;  
3           h. An agricultural technologies grant program; and  
4           i. A North American marketing grant program.  
5        3. As a condition of any grant administered by the commission, the commission may  
6           require the recipient repay some or all of the grant if the recipient does not fulfill the  
7           conditions of the grant. Repayment may be monetary or any other type or method  
8           determined by the commission.

9        **54-60.3-03. Agricultural products utilization commission - Meetings - Personnel -**  
10 **Reports.**

11        The agricultural products utilization commission, an office of the department of commerce  
12 division of economic development and finance, shall meet as necessary and shall report to  
13 each session of the legislative assembly. The commission may secure office space, employ  
14 required personnel for the performance of its duties, hire consultants, spend any funds  
15 appropriated to the commission, and contract with public entities or private parties for services.

16        **54-60.3-04. Agricultural products utilization commission - Reimbursement -**  
17 **Compensation.**

18        Members of the agricultural products utilization commission are entitled to be reimbursed  
19 for expenses incurred in the performance of their duties, in the same manner as other state  
20 officials are reimbursed, according to sections 44-08-04 and 54-06-09. If not otherwise  
21 employed by the state of North Dakota, members of the commission are entitled to receive per  
22 diem compensation of one hundred thirty-five dollars for each day of attending meetings and  
23 performing other duties relating to official business of the commission. The commission  
24 chairman, if not otherwise employed by the state of North Dakota, may receive an additional  
25 one hundred dollars for each day of a regular meeting attended as payment for reviewing and  
26 evaluating grant proposals.

27        **54-60.3-05. Agricultural products utilization commission - Administrative expenses.**

28        Administrative expenses of the agricultural products utilization commission, including  
29 expenses of members of the commission, employment of required personnel, hiring of  
30 consultants, and contracting with public or private entities for services may not exceed ten



1 percent of the funds appropriated to the commission by the legislative assembly each biennium,  
2 excluding federal funds.

3 **54-60.3-06. Agricultural products utilization fund - Purposes.**

4 The agricultural products utilization fund in the state treasury must be used to fund  
5 programs for agricultural research, development, processing, technology, and marketing. The  
6 fund must be used to defray the expenses of the North Dakota agricultural products utilization  
7 commission. Interest earned on moneys in the fund must be credited to the fund.

8 **SECTION 11. AMENDMENT.** Subsection 2 of section 57-15-06.7 of the North Dakota  
9 Century Code is amended and reenacted as follows:

- 10 2. A county levying a tax for extension work as provided in section ~~4-08-15~~11-38-01 may  
11 levy a tax not exceeding two mills and if a majority of the electors of the county have  
12 approved additional levy authority under section ~~4-08-15~~11-38-01, the county may levy  
13 a voter-approved additional tax not exceeding ~~an additional tax~~ of two mills.

14 **SECTION 12. LEGISLATIVE COUNCIL TO REDESIGNATE CHAPTERS IN TITLE 4.1 OF**  
15 **THE NORTH DAKOTA CENTURY CODE.** The legislative council shall redesignate chapter  
16 4.1-47 as chapter 4.1-24, chapter 4.1-83 as chapter 4.1-29, chapter 4.1-52 as chapter 4.1-42,  
17 chapter 4.1-53 as chapter 4.1-43, chapter 4.1-54 as chapter 4.1-44, chapter 4.1-55 as chapter  
18 4.1-45, chapter 4.1-56 as chapter 4.1-46, chapter 4.1-57 as chapter 4.1-47, chapter 4.1-73 as  
19 chapter 4.1-49, chapter 4.1-74 as chapter 4.1-50, chapter 4.1-75 as chapter 4.1-51, chapter  
20 4.1-72 as chapter 4.1-52, and chapter 4.1-88 as chapter 4.1-56.

21 **SECTION 13. REPEAL.** Chapters 4-01, 4-02, 4-02.1, 4-05.1, 4-08, 4-11.1, 4-13.2, 4-14,  
22 4-14.1, 4-14.2, 4-19, 4-21.1, 4-21.2, 4-22, 4-23, 4-24, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-35.2,  
23 4-36, 4-37, 4-40, 4-41, 4-43, and 19-07 of the North Dakota Century Code are repealed.

24 **SECTION 14. EFFECTIVE DATE.** Section 11 of this Act is effective for taxable years  
25 beginning after December 31, 2016.