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Sixty-fifth
Legislative Assembly
of North Dakota

FIRST DRAFT:
Prepared by the Legislative Council staff for the
Agriculture and Natural Resources Committee
February 2016

Introduced by

1 A BILL for an Act

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

3 **SECTION 1. AMENDMENT.** Section 4-05.1-01 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **~~4-05.1-01~~15-12.1-01. Definitions.**

6 In this chapter, unless the context otherwise requires:

- 7 1. "Agricultural experiment station" means the North Dakota state university main
8 research center, the Dickinson research extension center, the Williston research
9 extension center, the Langdon research extension center, the central grasslands
10 research extension center, the Carrington research extension center, the Hettinger
11 research extension center, the north central research extension center, the agronomy
12 seed farm, and any other department or agency designated by the state board of
13 higher education.
- 14 2. "Center director" means ~~an~~the administrator in charge of a research or research
15 extension center.
- 16 3. "Station director" means the administrator of the agricultural experiment station.

17 **SECTION 2. AMENDMENT.** Section 4-05.1-02 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **~~4-05.1-02~~15-12.1-02. Agricultural experiment station.**

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

1 must be separate from appropriation requests to defray expenses of North Dakota state
2 university.

NOTE: Under Article VIII, Section 6, of the Constitution of North Dakota, the State Board of Higher Education controls and administers the Agricultural Experiment Station. These statutory provisions delegate control and administration to the State Board of Agricultural Research and Education and the President of North Dakota State University under the supervision of the State Board of Higher Education.

3 **SECTION 3. AMENDMENT.** Section 4-05.1-03 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **~~4-05.1-03~~15-12.1-03. Center directors - Research and research extension centers -**
6 **Records and information.**

7 The ~~station director has jurisdiction over the~~ research and research extension centers of the
8 agricultural experiment station ~~are under the jurisdiction of the station director. Each~~The center
9 director shall administer each research or research extension center ~~must be administered by a~~
10 ~~center director who.~~ The center director shall report to the station director. Each research or
11 research extension center shall keep detailed records of all research activities ~~and.~~ The
12 research or research extension center shall publish and disseminate research results and
13 information for the benefit of this state.

14 **SECTION 4. AMENDMENT.** Section 4-05.1-04 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **~~4-05.1-04~~15-12.1-04. Reports.**

17 Each center director shall submit an annual report to the station director ~~as directed by the~~
18 ~~state board of agricultural research and education.~~ Each report must set forth in detail the
19 investigations and experiments made during the preceding year, recommendations for the
20 welfare of the center, the financial condition of the center, how all moneys have been expended
21 during the preceding year, and the results of all experiments that have been completed during
22 the preceding year. The station director shall submit these reports, with a report of the North
23 Dakota state university main research center, to the state board of agricultural research and
24 education and the state board of higher education ~~on or before the first day of~~ by September first
25 of each year.

26 **SECTION 5. AMENDMENT.** Section 4-05.1-05 of the North Dakota Century Code is
27 amended and reenacted as follows:

1 **~~4-05.1-05~~15-12.1-05. North Dakota state university main research center position**
2 **adjustments - Budget section report.**

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

23 **SECTION 6. AMENDMENT.** Section 4-05.1-06 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **~~4-05.1-06~~15-12.1-06. Dickinson research extension center.**

26 The Dickinson research extension center must be located ~~at~~in or near Dickinson in Stark
27 County. The center shall conduct research ~~on~~;

- 28 1. On increasing the carrying capacity of native rangeland, with emphasis on
29 conservation and preservation for future generations. ~~The center shall conduct~~
30 ~~research on~~;

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

15 **SECTION 7. AMENDMENT.** Section 4-05.1-07 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **~~4-05.1-07~~15-12.1-07. Williston research extension center.**

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

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

26 **SECTION 8. AMENDMENT.** Section 4-05.1-08 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **~~4-05.1-08~~15-12.1-08. Langdon research extension center.**

29 The Langdon research extension center must be located ~~at~~in or near Langdon in Cavalier
30 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 the:

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

7 **SECTION 9. AMENDMENT.** Section 4-05.1-09 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **~~4-05.1-09~~15-12.1-09. Central grasslands research extension center.**

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

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

24 **SECTION 10. AMENDMENT.** Section 4-05.1-10 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **~~4-05.1-10~~15-12.1-10. Carrington research extension center.**

27 The Carrington research extension center must be located at or near Carrington in Foster
28 County. The center shall conduct research designed to ~~determine;~~

- 29 1. Determine the potential of irrigated agriculture in the region proposed for irrigation
30 development in the state which must be related to both crop and livestock production.
31 ~~The center shall conduct research designed to increase; and~~

1 2. Increase productivity of all agricultural products of the soil while maintaining or
2 improving the soil resource base in the agricultural region of east central North Dakota
3 by the:

4 a. The identification of adapted crop species and superior crop cultivars;
5 propagation

6 b. Propagation and distribution of selected seed stocks; and development

7 c. Development of profitable cropping and integrated crop and livestock systems
8 that achieve the necessary balance between profitability and conservation of all
9 natural resources.

10 **SECTION 11. AMENDMENT.** Section 4-05.1-11 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **~~4-05.1-11~~15-12.1-11. **Hettinger research extension center.****

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

18 1. The identification of adapted crop species and superior crop cultivars; ~~propagation~~

19 2. Propagation and distribution of selected seed stocks; and ~~development~~

20 3. Development of profitable cropping systems that achieve the necessary balance
21 between profitability and conservation of all natural resources.

22 **SECTION 12. AMENDMENT.** Section 4-05.1-12 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **~~4-05.1-12~~15-12.1-12. **North central research extension center.****

25 The north central research extension center must be located ~~at~~in or near Minot in Ward
26 County. The center shall conduct research designed to increase productivity of all agricultural
27 products of the soil while maintaining or improving the soil resource base in the agricultural
28 region of north central North Dakota by the:

29 1. The identification of adapted crop species and superior crop cultivars; ~~propagation~~

30 2. Propagation and distribution of selected seed stocks; and ~~development~~

1 3. Development of profitable cropping systems which achieve the necessary balance
2 between profitability and conservation of all natural resources.

3 **SECTION 13. AMENDMENT.** Section 4-05.1-15 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **~~4-05.1-15~~15-12.1-13. Agronomy seed farm - Investment of reserve income fund.**

6 The state treasurer, at the direction of the center director of the agronomy seed farm with
7 the approval of the station director, shall provide for the investment of available moneys in the
8 agronomy seed farm reserve income fund. The state treasurer shall credit the investment
9 income to the agronomy seed farm reserve income fund. The moneys in the fund may be spent
10 only within the limits of legislative appropriation.

11 **SECTION 14. AMENDMENT.** Section 4-05.1-16 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **~~4-05.1-16~~15-12.1-14. State board of agricultural research and education - Membership**
14 **- Terms.**

- 15 1. The state board of agricultural research and education consists of:
- 16 a. The president of North Dakota state university or the president's designee;
 - 17 b. The vice president of agricultural affairs at North Dakota state university, who
18 serves in an ex officio nonvoting capacity;
 - 19 c. The administrator of the agricultural experiment station, who serves in an
20 ex officio nonvoting capacity;
 - 21 d. The five persons appointed to the agricultural consultation board by the
22 ag coalition;
 - 23 e. The five persons appointed to the agricultural consultation board by the extension
24 service's multicounty program units;
 - 25 f. The agriculture commissioner, who serves in an ex officio nonvoting capacity;
 - 26 g. The director of the North Dakota state university extension service, who serves in
27 an ex officio nonvoting capacity; and
 - 28 h. Two members of the legislative assembly appointed by the chairman of the
29 legislative management. The chairman shall appoint one member from each
30 political faction. The terms of members are for two years; and members may be

- 1 reappointed. The legislative council shall pay the compensation and expense
2 reimbursement for the legislative members.
- 3 2. a. The initial five members appointed by the ag coalition shall select their terms by
4 lot so that one member serves for one year, one member serves for two years,
5 one member serves for three years, one member serves for four years, and one
6 member serves for five years.
- 7 b. The initial five members appointed by the extension service's multicounty
8 program units shall select their terms by lot so that one member serves for one
9 year, one member serves for two years, one member serves for three years, one
10 member serves for four years, and one member serves for five years.
- 11 3. At the completion of each initial term, the term of office for each member is four years,
12 beginning on July first. An individual may be reappointed to a second four-year term.
- 13 4. a. At least ninety days before the term of a member appointed by the ag coalition
14 expires, the ag coalition shall provide to the state board of higher education a list
15 of one or more names from which the state board of higher education shall
16 appoint a successor. The state board of higher education shall ensure that four
17 out of the five seats are held by agricultural producers.
- 18 b. At least ninety days before the term of a member appointed by the extension
19 service's multicounty program units expires, the units through their advisory
20 groups shall provide to the state board of higher education a list of one or more
21 names from which the state board of higher education shall appoint a successor.
22 The state board of higher education shall ensure that four out of the five seats
23 are held by agricultural producers.
- 24 5. If an appointed position becomes vacant, the vacancy must be filled for the unexpired
25 portion of the term in the same manner as the initial appointment except that the
26 ninety-day requirement is waived. An individual appointed under this subsection is
27 eligible to serve two full terms after completing the unexpired term for which the
28 individual was appointed.

29 **SECTION 15. AMENDMENT.** Section 4-05.1-17 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **~~4-05.1-17~~15-12.1-15. Compensation of board members - Expenses.**

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

7 **SECTION 16. AMENDMENT.** Section 4-05.1-18 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **~~4-05.1-18~~15-12.1-16. State board of agricultural research and education - Chairman -**
10 **Meetings.**

11 The state board of agricultural research and education ~~annually~~ shall elect one of its
12 members annually to serve as chairman. The board shall meet at the times and locations
13 designated by the chairman in consultation with the vice president of agricultural affairs at North
14 Dakota state university.

15 **SECTION 17. AMENDMENT.** Section 4-05.1-19 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **~~4-05.1-19~~15-12.1-17. State board of agricultural research and education - Duties.**

18 Within the policies of the state board of higher education, the state board of agricultural
19 research and education is responsible for budgeting and policymaking associated with the
20 agricultural experiment station and the North Dakota state university extension service. The
21 state board of agricultural research and education shall:

- 22 1. Determine the causes of any adverse economic impacts on crops and livestock
23 produced in this state;
- 24 2. Develop ongoing strategies for the provision of research solutions and resources to
25 negate adverse economic impacts on crops and livestock produced in this state;
- 26 3. Develop ongoing strategies for the dissemination of research information through the
27 extension service;
- 28 4. Implement the strategies developed under subsections 2 and 3, subject to approval by
29 the state board of higher education;
- 30 5. Develop, with the agricultural experiment station and the North Dakota state university
31 extension service, an annual budget for the operations of these entities;

- 1 6. Develop a biennial budget request based on its prioritized needs list and submit that
- 2 request to the president of North Dakota state university and the state board of higher
- 3 education, and forward its prioritized needs list and request without modification to the
- 4 office of management and budget and the appropriations committees of the legislative
- 5 assembly;
- 6 7. Maximize the use of existing financial resources, equipment, and facilities to generate
- 7 the greatest economic benefit from research and extension efforts and to promote
- 8 efficiency;
- 9 8. Annually evaluate the results of research and extension activities and expenditures
- 10 and report the findings to the legislative management and the state board of higher
- 11 education;
- 12 9. Advise the president of North Dakota state university regarding the recruitment,
- 13 selection, and performance of the vice president of agricultural affairs, the extension
- 14 service director, and the station director; and
- 15 10. Present a status report to the budget section of the legislative management.

NOTE: Subsection 10 provides no guidance on how often the status report is to be presented. The reports have been provided since 1997 on a biennial basis.

16 **SECTION 18. AMENDMENT.** Section 4-05.1-20 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 ~~4-05.1-2015-12.1-18.~~ **4-05.1-2015-12.1-18. Agricultural research fund - Continuing appropriation.**

19 The agricultural research fund is a special fund in the state treasury. ~~The moneys~~Moneys in
20 the fund ~~must be expended~~are appropriated to the state board of agricultural research and
21 education for purposes of agricultural research. Any interest earned by the fund ~~is appropriated~~
22 ~~to the state board of agricultural research and education~~must be returned to the fund.

NOTE: Language has been adjusted to match current practice.

23 **SECTION 19. AMENDMENT.** Section 4-05.1-21 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 ~~4-05.1-2115-12.1-19.~~ **4-05.1-2115-12.1-19. State board of agricultural research and education -**
26 **Apportionment of research funds.**

- 27 1. The state board of agricultural research and education may use up to ten percent of
- 28 the ~~proceeds of~~moneys in the agricultural research fund, not to exceed fifty thousand

1 dollars per year, for administrative expenses and annually shall apportion the
2 remaining proceeds of the agricultural research fund as follows:

NOTE: Language has been adjusted to match current practice.

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