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2001 HOUSE AGRICULTURE
HB 1338

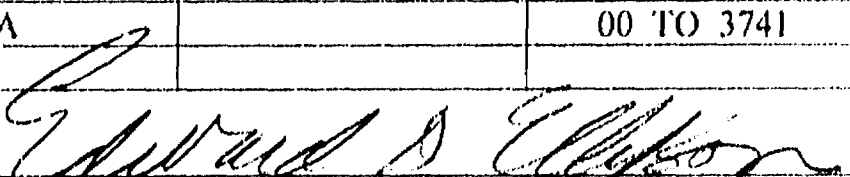
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1338

House Agriculture Committee

Conference Committee

Hearing Date 2--08--01

Tape Number	Side A	Side B	Meter #
THREE	A		5000 TO 6010
FOUR	A		00 TO 3741
Committee Clerk Signature 			

Minutes:

CHAIRMAN NICHOLAS: Committee Members, we will open the hearing on HB 1338.

MIKE CLEMENS...FARMER: The following crops I grow are wheat, sunflowers, barley, corn and soybeans. Some of these crops are genetically modified crops. Some are not. My experience with the ones that I have grown have been interesting. My soy beans experience has been that the crop has never really paid me a premium, it has always been at a discount in the market place. My experience with the corn is a biotech crop. It has been a real problem in the export market. I SUPPORT THIS BILL.

CHAIRMAN NICHOLAS: THANK YOU.....NEXT

DENNIS HAUGEN: FARMER PRES. GENERAL GRAIN: Mobil processing center.

I am in favor of this bill. There is a sanitation problem with roundup ready wheat. The following year, you have volunteer, a nice cheap shot at 2-4-Dee and they are gone. Volunteer,

Page 2
House Agriculture Committee
Bill/Resolution Number HB 1338
Hearing Date 2--8--01

what are we going to do with that as to GMO'S A different crop with be tainted with the volunteer.

CHAIRMAN NICHOLAS: Anyone in opposition to this bill that can't be here this afternoon?

JEFF TOPP: I am a farmer in the great state of ND. I am here in opposition to this Bill today. I'd like the Bill to go to an adhoc committee and an interim committee that you would put together. Study all the issues. It gets very emotional. We don't want to make it to difficulty for developers of seed to develop. I'd appreciate a no vote.

TOOK A BREAK FOR LUNCH

CHAIRMAN NICHOLAS: WE WILL REOPEN THE HEARING ON HB 1338

There are people here that have to catch a plane so we will accommodate them.

We want to give reasonable time to the proponents and the opposition.

REPRESENTATIVE MUELLER: I am here to talk to you about wheat, I grow wheat. ND leads in production in hard spring wheat and has for many years. It is important to our economy. We are better of technology, but we have to be careful. GMO wheat could have a very devastating affect on our wheat market. Eight out of eleven of our top export customers have indicated resistance to taking GMO wheat. That amounts to 15 million metric tons in the 99--2000 marketing year. Japan and the European union represent over half of our export market. They have been very clear. They do not want GMO products. This is also true in the US. Certain foods. My greatest concern about the introduction of GMO wheat in ND is it's potentially negative impact. Potential impact. There are other concerns. Crops cross pollination. Will the crop really be non-contaminated wheat. There is the liability issue.

Who is responsible. The folks that raise the wheat??? I don't know.

There are a number of amendments. I will pass those out.

CHAIRMAN NICHOLAS: Who is next as to testimony.

TODD LEAKE: Passed out printed testimony. Please see attachments. RECOMMEND
PASSAGE OF THIS BILL.

CHAIRMAN NICHOLAS: Rep. Johnson:

REPRESENTATIVE JOHNSON: The reason that I signed on to this Bill was the issue of
GMO wheat. The contracts that have been offered. How is this going to fit into the future
production agriculture across the state. I personally use GMO CANOLA. I intend on using
GMO SOY BEANS this current crop year. The concern come with the acceptance level. We
have to export one half to three fourths of our crops. This is a concern. This why this bill
came to be. The bill leaves some blanks but amendments will tend to fill it. I have confidence
in the committee to come to a solution.,

SENATOR WAYNE? If we raise something that no one wants to buy dose
not help us any. It could reck our markets.

REPRESENTATIVE BRANDENBURG: Starling corn has hurt our marketing. There is an
issue here that we need to resolve. I want to just give my support.

GAIL WILEY: FARMER SOUTH OF JAMESTOWN. Printed testimony. Please see
attachments.

KEVIN KNODEL: Manager of Prairie Coop Elevators at Cleveland, ND.

RICHARD SCHLOSSER: FARMERS UNION.....Printed testimony. please see attachments.

Page 4

House Agriculture Committee

Bill/Resolution Number HB 1338

Hearing Date 2--8--01

UNKNOWN SPEAKER: Suggests that no one has talked on the health issues. People say they have been done. There are three agencies responsible for regulating GMO in the US. EPA, FOOD AND DRUG ADMINISTRATION AND THE USDA. None of these agencies have done independent studies as to the impact on health issues. I am sure Monsanto has done studies. I say they should be independent studies not Monsanto. Don't think that you have the upper hand with Monsanto.

CHAIRMAN NICHOLAS: We will take testimony in opposition to 1338.

MICHAIL J DIAMOND: I represent Monsanto Co. Please see attached testimony.

We are opposed to this legislation. We are not trying to jam anything down anyone's throat.

PAUL ISACKSON: I am a native of ND. I have a masters in agronomy. I left ND a few years ago. I worked with Monsanto for a while. With the open mind, I would like to point out several things. Profitability, currently with roundup ready cotton, round up ready soy, and round up ready canola, All have roughly 50% market share. There is a good reason to have that market share. That is it simply make growers more profitable on their acres. Our preliminary tests say that roundup ready wheat would do the same thing. What you will see is that if you use round up application versus a competitive commercial herbicide treatment, we are seeing a five to ten percent yield increase. That is preliminary data. We have a lot more work to do. This bill goes way beyond roundup ready and I want to point out that when they introduced the first computer, it was not user friendly. Each year computers get better and better. Biotechnology gets better each year also. Monsanto or some company will bring growers technology. We need your support when we go to management and say we

Page 5

House Agriculture Committee

Bill/Resolution Number HB 1338

Hearing Date 2--8--01

want you to support wheat.

We need a way to work together. Lets address the concerns appropriately.

WILLIAM PICACINSKI: I am regulatory affairs manager from Monsanto. I have been a research engineer for sixteen years. The last six years I have been with regulatory affairs.

I would like to take some time to tell you about our plans for regulatory approvals. of roundup readily wheat as well as address an issue of out crossing. Our present plans for roundup ready wheat commercialization target at 2003 and 2005 for concurrent approval in Canada and US.

An important part of our commercialization are regulatory approvals. We started the paper work for regulatory approvals last July with submission to the EPA for label exention and the use of round up ready wheat. For 2001 we intend go go to the regulatory agencies of Canada

and Japan. In addition to the US we anticipate regulatory approval from Canada, as well as Japan and several other countries by the time we launch the product. Let me answer questions

about what I heard about wheat out-crossing. Wheat out-crossing is an issue that we are very interested in Monsanto. There is low level of out-crossing on the order of three to four percent.

within the wheat field itself. If you look outside of the source of the pollen, at eight inches, the out-crossing drops to .88 percent [[[point eight eight percent]]] This literature data is consistent.

with studies that Monsanto has funded for academics, more specifically at a distance of three feet from the pollen source, the out crossing is only .29% [[[point two nine percent]]]

and at fifteen feet from the pollen source the out crossing drops to .05% [[[point zero five percent]]]

A very low out crossing. We are very comfortable with the low out crossing. I know there are

amendments to this bill. Section 2, line 1 SOMATIC CELL FUSION The use of the

term somatic cell fusion greatly expands the definition of genetic engineering beyond the

Page 6

House Agriculture Committee

Bill/Resolution Number HB 1338

Hearing Date 2--8--01

present definition that is used by all three regulatory agencies. In the US BE sure that you define things correctly, as to somatic cell fusion. Please see amendments attached.

SECTION 2, PART 2 PART A. More than half of all US wheat exports, as determined by volume, are shipped to countries that allow the importation of genetically modified wheat and allow the use of genetically modified wheat products for human consumption. I would like to talk to you what is going on in Canada. We deal with Agr. Canada on a regular basis. They are very interested in developing varieties of round up ready varieties of wheat. We have had the grain commission in meetings with us. We are working with them to develop what we need to develop a grain handling system. These are all parts of the puzzle that we are putting together. We talk to all departments, growers. This Bill could leave ND behind.

JUSTIN WOLF: I am business lead for Montana and ND markets so I am on the opposite side of this bill. I am on the business side. I originally come from a farm in Montana. I went to Montana State University. We want to make sure that you all know that we are not faceless at Monsanto. Most of us are farm kids. Monsanto says, says should we continue to bring this product to market with all the controversy. We have learned a lot from other crops. Wheat is a different animal. A year ago Monsanto was really questioning whether growers really want this technology. We truly do have to work together. In Monsanto we pledge to work with the wheat industry to develop a grain handling system based on reasonable tolerance's and standard testing that will be supported by users and growers. The reasonable clause is important.

I don't think it is true that you don't want our technology. DON'T STIFLE INVENTION.

CHAIRMAN NICHOL AS: ANY OTHER TESTIMONY OPPOSITION?

LOWELL BERNSTINE: Speaking on my own behalf. I am in opposition to the bill.

Page 7

House Agriculture Committee

Bill/Resolution Number HB 1338

Hearing Date 2--8--01

I don't think we are going to legislate our way out of this. Issue. I served on some of the same committees with Monsanto. We have to work this through dialog.

E AMUNDSTAD: NDFB My concerns and those by our members that have voiced their opinion on this are much the same as Rep. Mueller or Brandenburg and a lot of the other people we hear speak here today. I don't think we can limit private industry. The pasteurization process took twelve years. This will benefit all of ND

CAL ROLFSON: Crop Protection Association. They appear in opposition to the bill for the reason already expressed. The amendments somewhat improve the the bill but there are legal issues with the amendments. Restrain of trade issues. Several others. Representative Nelson stated that this is not the perfect method of addressing this issue. We want to seek direction from the legislature. This is an extremely complex issue We feel that the way to handle this is that all players will be brought to the table. That is the way to deal with this.

BRUCE FRETAG: FARM NEAR SCRANTON, ND. I am vice president of the NDGG. I would like to speak in opposition to this bill. Our export markets are very important. We must do everything reasonable to protect those markets. We are sending the wrong message from ND. We have competition, we adopt new technology, we stay on the top latest advances in Agr; and it is a competitive advantage for us. It is only an advantage for us if we use it. If we wait and let the rest of the world go by us we have lost that advantage also. Although we have concerns, we believe that the checks and balances the right thing could be done to bring this technology on board an if those conditions are not met then it won't be brought forth.

Page 8

House Agriculture Committee

Bill/Resolution Number HB 1338

Hearing Date 2--8--01

GARRY KNUTSON: NDAA; Basically reiterating a lot of the points that already have been made. Don't throw a wall around us in a box. Don't shut us off from technological advances. We want products to sell. Keep an open mind of the wheat market as well.

CHAIRMAN NICHOLAS: Anyone else wishing to appear in opposition to this bill.

AL LEE: NDWC We have had a lot of dialogue with Monsanto. We learned a lot about technology. There is potential to for farmers. Monsanto is not the only company working on this. We are working on niche markets. We are sending out the wrong signals. The amendments floating around in front of you could use some changes. We have to be concerned about our European Customers. The majority of the wheat grower in ND is exported. We have a fine line to walk. We need international regulatory approval. On line two of the amendment, we are concerned. We think you should scratch line B. entirely. We are concerned about line three also.

ROGER JOHNSON: COMMISSIONER OF AGRICULTURE: Printed testimony attached. We are concerned that we in ND maybe viewed in a way that we don't want. The issue is marketing. We are dependent on foreign markets. This game that we are in is high stakes. There is substantial consumer reluctance. We want to be careful and I do support the amendments.

CHAIRMAN NICHOLAS: Is there any reason why we could not dump this into the harmonization committee? Handle it through there.

ROGER JOHNSON: I don't know why you could not.

CHAIRMAN NICHOLAS: Any additional question from committee members

Committee members we have lots of good people here on both sides.

