

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1467

2001 HOUSE NATURAL RESOURCES

HB 1467

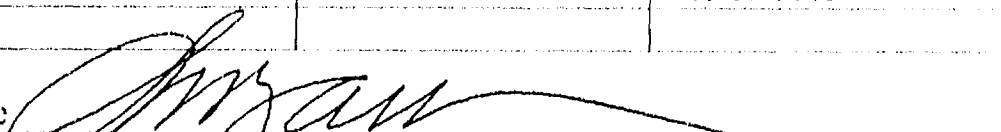
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1467

House Natural Resources Committee

Conference Committee

Hearing Date February 1, 2001

Tape Number	Side A	Side B	Meter #
2	x		360 to 2683
3	x		815 to 1115
Committee Clerk Signature 			

Minutes:

Chairman Earl Rennerfeldt, Vice Chair Jon O. Nelson, Rep. Brekke, Rep. DeKrey, Rep. Droydal, Rep. Galvin, Rep. Keiser, Rep. Klein, Rep. Nottestad, Rep. Porter, Rep. Weiler, Rep. Hanson, Rep. Kelsh, Rep. Solberg, Rep. Winrich.

Chairman Rennerfeldt: I will open the hearing on HB 1467.

Rep. Dennis Johnson - District 12: A bill dealing with the Herb Fund or the Environmental Range Protection Fund. This money has been here from the registration of chemicals and such is asking to be transferred to minor use.

Chairman Rennerfeldt: Any questions of the committee?

Rep. Mike Brandenburg - District 26: I too am here to support HB 1467. This minor use fund is really important in minor use crops that have benefited from the Minor Use Fund.

Chairman Rennerfeldt: Could you explain what they mean by the Minor Use Pesticide Fund?

Brandenburg: Within the Range Land Protection Fund is a Minor Use Pesticide program which deals with the different chemicals and their use. The Minor Use Pesticide Fund was set up to deal with those crops that deal in Minor Use. The whole Range Land Protection Fund is a part of that process.

Rep. Winrich: I just want to clarify what I think I understood. Basically what this bill does is simply continue a practice that has been going on for some time. Is that correct?

Brandenburg: Yes, if you look back at the last biennium, this Minor Use Fund has been a very good product. We are again here to ask that the Minor Use Fund be provided a fund to take care of those crops because those crops, without the research being done, this fund has helped those crops. In that half million dollars is a return of 10 to 20 times. This is a very good fund. We ask your support to do this.

Rep. Droydal: How large is this fund and this 500,000.00 transfer, is that the typical transfer going on since this is established?

Brandenburg: The whole Range Land Protection Fund has a number of different projects coming out of it concerning noxious weeds and the minor use fund and also there is a pesticide fund there too. The last biennium I know there was over half million dollars used, so this fund can be justified and is needed.

Chairman Rennerfeldt: I have many hours of my life involved in setting up that fund.

Brandenburg: I want to thank you for setting up that fund.

Chairman Rennerfeldt: Does the committee have any questions?

Jeff Olson - Program Manager from Planned Industry Division, Department of Agriculture: I administer the Minor Use Fund. I am here to testify in support of HB 1467. (See written testimony).

Vice Chair Nelson: Can you give me an example of how the Minor Use Fund has been used for major crops and major uses?

Olson: There has been some projects approved for work on wheat, for instance. Wheat is considered a major crop. Previous to last session, any projects dealing with wheat, soybeans or corn would not have been available through this fund. Wheat has been the major one. Downy Mildew on Durum Wheat, etc. The major crop issues are starting to pick up a little bit. Different pesticides, or non pesticides, bio control.

Vice Chair Nelson: Sunflowers does meet the definition of minor use. I am a little concerned when we start funding Durum research out of this fund. I remember when this fund started it was to assist minor crops that have limited acres that need the assistance to bring them into more prominence. Can you respond to why Durum couldn't get their funding from the Wheat Commission or Durum Growers?

Olson: Because of legislation, the definition was changed last session to include other uses. The Attorney General's office came back and said other uses pertains to the addition of major crops and major uses that would qualify for money coming out of this fund. We haven't had a lot of inquiry for major crops, there may be some down the road. Durum wheat was the first one because of that change in that definition. I am expecting other ones. The Pesticide Control Board does have the authority to approve or deny based on money availability or the benefit of funding that research.

Chairman Rennerfeldt: Any further committee questions?

Gary Knutson - Executive Director of ND Agriculture Association: We have been long term advocates of the Minor Use Fund. Our organization supports this use whole heartedly as it is a revenue generator. We are putting dollars back into the economy. I think as we look at the issue

Rep. Nelson raised, the title is Minor Use and we are thinking minor acreage crops. What about a situation where we have a major crop and a minor pesticide problem. That might be a minor use for a company and they would not do research. That is where this funding mechanism would fit in.

Chairman Rennerfeldt: Any questions from the committee?

Kent McKay - NDSU Agronomist: I am here to testify in full support of HB 1467. I have seen first hand the benefits of the goals of this Minor Use Fund. We are gaining a lot of momentum. I can't stress enough to fully support this funding, as it is needed. We have seen the number of acres of specialty crops gaining a lot of acres. The diversification we have seen in ND has been very exciting. This fund is unique and we are bringing groups together and striving goals to gain new products for these minor use crops.

Vice Chair Nelson: Much of the research that has been done, has it been done at your research station in Minot?

McKay: Yes, research has been done in Minot, studies in Carrington, Fargo, basically wherever the grants are made. It is fairly diverse.

Vice Chair Nelson: If I could continue, in addition to the research you are doing on major crops, in getting involved with more and more research to develop new crops for the state of ND as well as the seed increase that you are providing, I would guess that would caused some problems with enough land to continue this?

McKay: Yes, that is a problem. We got a unique situation in Minot where we increased staff and we are doing a lot of research where our seed production is getting very limited and we are looking at trying to purchase some land. We are excited about the increase of diversification and we are seeing that occur.

Chairman Rennerfeldt: Any further questions of the committee?

Larry Kleingartner - Executive Director of the National Sunflower Association: We are in full support of HB 1467. (see written testimony).

Chairman Rennerfeldt: Any questions of the committee?

Paul Thomas - Northern Canola Growers: We support HB 1467 which provides continued funding for minor use pesticide fund. This fund has provided important funding for minor use crops. With the implementation of the Food Quality Protection Act we will continue to see the number of available tools increasing in the years to come, it is essential that this program is funded to help research. I urge a Do Pass on HB 1467.

Chairman Rennerfeldt: Any questions of the committee? Anyone else in favor of this bill, anyone opposed? I will close the hearing on HB 1467.

COMMITTEE WORK

Rep. Keiser: Chairman I move a Do Pass.

Rep. Droydal: I second that with a re-referral to appropriations.

(some discussion)

Chairman Rennerfeldt: Any further discussion on this bill?

Vice Chair Nelson: I understand this is new to this committee, but the Minor Use Fund is a good program, it began in 1997 and refunded in 1999. None of the money is general fund money, it is all just special funds from registration fees of pesticide companies. There is no questions that those crops that are becoming more and more prevalent in this state and its important we continue this.

Rep. Droydal: We need research and they are doing good work to improve crop yields.

Chairman Rennerfeldt: Call the roll for a Do Pass on HB 1467.

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House Natural Resources Committee
Bill/Resolution Number HB 1467
Hearing Date February 1, 2001

MOTION FOR A DO PASS

YES, 15 NO, 0

MOTION CARRIES

CARRIED BY NELSON

Date: 03/01/01
 Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1467

House Natural Resources Committee

Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO Pass

Motion Made By Rep. Keiser Seconded By Rep. Drovdal

Representatives	Yes	No	Representatives	Yes	No
Earl Rennerfeldt - Chairman	✓		Lyle Hanson	✓	
Jon O. Nelson - Vice Chairman	✓		Scot Kelsh	✓	
Curtis E. Brekke	✓		Lonnie B. Winrich	✓	
Duane DeKrey	✓		Dorvan Solberg	✓	
David Drovdal	✓				
Pat Galvin	✓				
George Keiser	✓				
Frank Klein	✓				
Darrell D. Nottestad	✓				
Todd Porter	✓				
Dave Weiler	✓				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep. Nelson

If the vote is on an amendment, briefly indicate intent:

re-referred to Appropriations

REPORT OF STANDING COMMITTEE (410)
February 2, 2001 7:53 a.m.

Module No: HR-19-2177
Carrier: Nelson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1467: Natural Resources Committee (Rep. Rennerfeldt, Chairman) recommends **DO PASS** and **BE REREFERRED** to the Appropriations Committee (15 YEAS, 0 NAYS, ABSENT AND NOT VOTING). HB 1467 was rereferred to the Appropriations Committee.

2001 HOUSE APPROPRIATIONS

HB 1467

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1467

House Appropriations Committee
Education and Environment Division

Conference Committee

Hearing Date February 08, 2001

Tape Number	Side A	Side B	Meter #
1 of 1	Starting at 5125	X	2,180
Committee Clerk Signature <i>Judith DeBoer</i>			

Minutes:

Representatives Aarsvold, Boehm, Guleson, Martinson, Monson, Wald, Wentz.

Representative John Nelson: District 7. I want to point out that money comes from Environmental Range Land Protection Fund. Which is comprised of registration fee that the Ag pesticides companies pay for the right to do business in this state. It is not a general Fund appropriation. This helps new and emerging crops that don't have registration labels for their products.

Representative Monson: Are these mostly section 18 types of chemicals.

Rep. John Nelson: Yes, and there are also some IR4s. There will be some applying for full labels.

Representative Aarsvold: Have you reviewed the Legislative purpose for the range land, and the Environmental Protection Fund? The EARP fund? Why was it established?

Rep. John Nelson: No I have not. This is obviously only part of what the EARP funds provide for the noxious weed program. If you feel there are programs that are more important they should be brought forward.

Representative Aarsvold: (5950) I was involved when the EARP Fund was established and it was a result of a lot of negotiation between several chemical companies, and ag suppliers across the state of ND. Seems to me when we take a look at taking money from that fund for the minor use pesticide fund which I do think is important. We would be impacting some chemical companies by broadening the label. Some products are effective for less money that are not fully labeled. Companies often have alternative products that would address the same pest problem. Which probably more expensive to apply. Seems to me we are taking there money from the EARP Fund, the registration money and using it to disadvantage their bottom line profit.

Rep. John Nelson: There is a lot that goes into a company applying for a label. The economic impact and balance to the industry and to the producers are certainly a piece of the puzzle. I think more importantly, what that added crop or label does in the risk of analysis. There is a delicate balance that needs to be considered when another crop is added to a label. From the UPA stand point they don't go into that with their eyes closed. It impacts the entire registration process for that product.

Representative Aarsvold: There are products out there that are one third the cost. We should probably renegotiating for this EARP Fund situation.

Rep. John Nelson: I don't know of one case where the minor use fund has been used for price harmonization. I am aware of that situation. Reclaim is not labeled in this state, and I don't think there have been any studies done to apply for a label for it.

Representative Wald: On page 19, see attached. You will be showing a negative balance of 133,213 dollars at the end of the Biennium. I don't know where we are going to find you enough money in the Range Land Protection Fund to fund the half a million dollars. It just isn't going to be there.

Rep John Nelson: In the current biennium there was a transfer from the previous biennium of 314,000 dollars added to the 285,000 dollars. In the 1997 biennium The money that was appropriated was not totally used, so that was transferred into the 1999-2001 biennium.

Representative Mike Brandenburg: (435) District 26. If you look at the fees that were charged for registration on a chemical is 300.00. It was raised to 350.00 which would raise it another 400,000. That could possibly deal with finding the money to fill this budget. It could work into this biennium.

Representative Wentz: Is that continuation of increased fees in a bill some where or an amendment?

Rep Mike Brandenburg: I would be more than happy to offer an amendment to do that.

Representative Wald: I note again in this document that last year the appropriation the noxious weed control was 1,068,881, this year it is going up to 1,404,602. Would it be possible to take some of that increase and move it over into the minor use registration program you are talking about. As a farmer could we move some of those funds around to fund the half a million you are asking for? Somewhat robbing peter to pay paul.

Rep Mike Brandenburg: It is very possible. There has been an additional 300,000 some dollars added into noxious weed fund. Also Safe Send and a pesticide fund that had a increase too. There is a possibility of more money being there. I have made some suggestions to different

