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10/16/03
Date

2003 HOUSE AGRICULTURE

HB 1420

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1420

House Agriculture Committee

Conference Committee

Hearing Date 2--6--03

Tape Number	Side A	Side B	Meter #
TWO	A		00 TO 44.0
Committee Clerk Signature <i>Edward D. Nelson</i>			

Minutes:

CHAIRMAN NICHOLAS : We will open the hearing on HB 1420.

REP. BELTER : For the record I am State Representative Wes Belter. Dist 22.

HB 1420 was introduced because at the time the National Beef Check off provision are now being challenged in the courts. It is taking place in several different states. Eventually I think the whole issue will end up in the Supreme Court. In the court should rule that the national program is unconstitutional, then I think it behooves the State of North Dakota. To reinstate our own program here at the state level. That is what HB 1420 dose. Mr Chairman, I do have amendments. On page two line twenty six, I do want to replace \$.50 cents with \$1.00 dollar. Our current national check off is \$1.00 and I think that if we pass this bill that we should increase our check of from \$.50 cents to \$1.00 dollar as it currently is on the national program. I think it is important to continue the check off. If we as an industry don't step forward with our dollars we are going to end up being the loser. We are bombarded in Washington with anti

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Richard Costa
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Date

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beef etc.

CHAIRMAN NICHOLAS : Thank you Representative Belter. Do you want to make any comments.

REP. ONSTAD : I am Rep. Kenton Onstad from District four. The purpose of Bill is to allow check off and still allows for refund. Helps in promotion and keeps it viable.

CHAIRMAN NICHOLAS : Thank you Rep. Onstad. We will start testimony on this bill and take testimony on anyone who wants to offer support of this Bill.

ARRON JACOBSON: Rancher from Crosby ND and I am also the Chairman of the ND Beef Commission. We are here today to let you know that we strongly support this Bill.

We have also discussed the \$1.00 dollar amendment. The North Dakota is in support of the dollar instead of fifty cents. I would like to introduce our board, Nancy Jo Bateman.

Alvin Hintz, Jason Schmidt, Shelby Schots. Theresa Takach. That being said we are here in strong support of this Bill.

REPRESENTATIVE FROELICH: Can you explain the current law suit. Why it was filed. Where it is at today.

ARRON JACOBSON: If you would like to wait Nancy is going to cover that material with here testimony.

CHAIRMAN NICHOLAS: Any other questions. Next.

NACY JO BATEMAN: I have been working with the ND Beef Commission for nineteen years. {{{{please read testimony which is attached.}}}}

REP. FROELICH : If the bill in SD is unconstitutional what would make you think that this bill would be.?

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NANCY JO BATEMAN: As we are going through the Federal Litigation is that the refund provision in State Law is what appears to make state law constitutional because it takes away the question of forced association. If you do not agree with the program, you have the right to get your money back.

REP. FROELICH There is no where in this Bill that if we put this bill in for the producers to vote it down or up. Do you think that is proper. Do you think that as a legislative body pass a piece of legislation with out having the producers vote on it.

NANCY JO BATEMAN. The Federal Law dose have a mechanism built right into it. It out lines how a referendum can be called for nation wide. It needs to be a petition of ten percent of producers across the country. Some of the issues in the SD law suit, had to do with a petition drive that the livestock marketing association conducted and then when USDA went through the verification process to make sure the fact that there were ten percent of the producers and those name were collected in a set period of time that they were valid. They determined that there was not enough signatures a referendum. This is a big issue. At the top of the list.

REPRESENTATIVE BOE: You said that if you did refund. If we went back to this law you would be out of standing for three years?

NANCY JO BATEMAN: The way that this is set up is to be considered as a board member our board members are appointed by the Governor. If you have refunded in the past three years then no you would not be considered a participating producer. And you would not be legible to be on the board.

REPRESENTATIVE KELSCH: What oversight do you have over money. Explain from there.

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NANCY JO BATEMAN: Every dollar that comes in through the Beef Check Off program, the check comes to our office and deposited in the state treasury. We voucher for every check and every expenditure. The Beef Commission annually goes through a process and develops a marketing plan, develop a budget, Programming the budget is approved along those lines. If we have expenses they are vouched. Every board meeting our board get a complete Financial statement. They go and approve etc. We are also subject to state audits. They go through with a fine toothed comb. Goes to Fed. From auditors. If there was not beef check off we would be selling beef for less then what we are today.

CHAIRMAN NICHOLAS: Next.

DICK TOKACH: I am in support of the Bill.

THERESA TOKACH: I am one of two National representatives from North Dakota to the cattleman's Beef Promotion and Research Board.

{{{{please see printed testimony}}}}

WADE MOSER: I am with the ND STOCKMANS ASSOCIATION: We do support HB 1420. We often get mixed up, We do not collect the dollar check off. A lot of our producers do pay it. I hope that the program is declared constitutional. People ask us what if it is declared unconstitutional. We told our producers that we will fall back to the state program. That is the reason the legislation is before you today. We feel at this time that the \$.50 cents is our commitment. We would like an opportunity to find out what our producers think about that. We have problems with that amendment. It is a matter of informing our membership.

CHAIRMAN NICHOLAS: Any opposition to Bill.

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GENE SCHMIDT; Made comments as to check offs. There was no answer given to his question.

CHAIRMAN NICHOLAS: Basically I have supported check offs. But check offs that are refundable. You can always get your money back.

CHAIRMAN NICHOLAS: WE WILL CLOSE ON HB 1420:

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1420

House Agriculture Committee

Conference Committee

Hearing Date 2--07--03

Tape Number	Side A	Side B	Meter #
ONE		B	TO END
Committee Clerk Signature <i>James D. Elger</i>			

Minutes:

CHAIRMAN NICHOLAS: Committee Members. We will open on HB 1420. Representative Belters amendments. I visited with Representative Belter and his amendments would make those technical changes. It would leave the check off at \$.50 cents as the original bill. I know there was some discussion about going to a dollar. It would stay at \$.50 cents I visited with Wade Moser from the Stockman's to see what there concessus was. They have a meeting coming up in March and the Stockman's are in support of the \$.50 Cents. They have not taken a consensus vote as to moving it to \$ 1.00 dollar. They would like additional time for discussion. I visited with some of the folks from the Beef Commission and Nance Jo and that seemed to be a good concessus. Before I take a motion on Representative Belters amendments I would like to look at Representative Froelichs amendments. Tell us what your amendments do.

REPRESENTATIVE FROELICH: After some discussion Representative Froelich with

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Drew his amendments.

CHAIRMAN NICHOLAS: Representative Boe. I would move Representative Belters amendments. Representative Kelsch seconded the motion. A voice vote was taken and passed as to the amendments.

CHAIRMAN NICHOLAS: The Committee has before us HB 1420 as amend mended.

REPRESENTATIVE KELSCH MADE A MOTION FOR A DC PASS,

REPRESENTATIVE BOE SECONDED THE MOTION. THE ROLL CALL VOTE

WAS TAKEN. THERE WERE 9 YES 1 NO 3 ABSENT

REPRESENTATIVE UGLEM CARRIED THE BILL.

CHAIRMAN NICHOLAS CLOSED ON HB 1420.

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