

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

10806

2007 HOUSE AGRICULTURE

HB 1086

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB1086

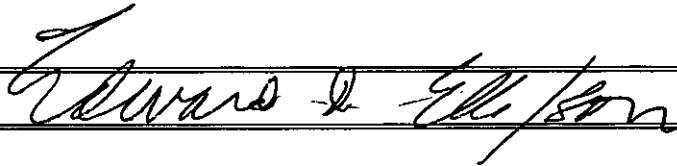
House Agriculture Committee

Check here for Conference Committee

Hearing Date: January 12, 2007

Recorder Job Number: 1023

Committee Clerk Signature



Minutes:

Roll Call was taken and no one was absent.

Chairman Johnson began the hearing for 1086.

This bill is related to definitions and referendums by potato growers and to repeal refunds of non participating potato growers.

Vice Chairwoman Kingsbury: Joyce Kingsbury serves District 16. She again handed out her testimony. See attached. She is sponsoring this bill.

Senator Gullickson: I would encourage you to pass this and send it to the senate side so that we can review it more.

Testimony from Barry Kingsbury from Walsh County, past chairman of Northern Plains State Growers Association, past board member of National Potato Council gave testimony in favor of HB 1086. See attached testimony.

Chuck Gunnerson: Owner and operates the Ada Produce Co. in Ada, MN. Chuck is the current chairman of the Minnesota Area One Potato Research and Promotion Council and director of the Northern Plains Potato growers Association. He encourages support of HB 1086. See attached testimony.

Duane Preston: He is a Professor and was hired for the position as the area Extension Agent for Potatoes 29 years ago. His testimony is for the support of this bill. See attached testimony.

David Moquist: A farmer and potato grower from Crystal, ND. gave testimony in favor of bill HB1086. See attached testimony.

Bob Moe: I raise potatoes for Fry Processors in ND. My testimony is to support the passage of HB 1086. See attached testimony.

Bennet Tucker: Farms in St Thomas, ND. Testimony is in favor of HB 1086. See attached testimony.

Mike Beltz: Farms near Hillsboro and is Vice Chairman of ND Ag Coalition. On behalf of the Ag Coalition, he encourages support of HB 1086. See attached testimony.

Duane Maatz: Representing Northern Plains Potato Growers Association asking for support of HB 1806. See attached testimony.

Duaine C Espegard: His testimony is opposition to HB 1086.

Joel Gilbertson; A member of the Vogel Law Firm is going to introduce growers to give testimony. He began first by giving some information on Century Code Title 4, for comparison to other commodities. (93)

Ron Crawford: Spoke in opposition of the HB 1806. He feels it check off has worked well in the past and will continue to work as it is. He feels potato research will not live or die whether Potato Association pays \$120,000 or \$160,000 to research.

Greg Halvorson: A potato grower in Forest River, ND. I grow potatoes in Kidder and Stutsman County, along with Grand Forks County. I would urge for your support.

John Stock: I grow potatoes in the Grand Forks area. We still grow potatoes because it almost the only crop that we can grow without subsidies, acres control and other regulations.

My point here is freedom. I have never asked for a refund but we want the freedom to do so.

Keith Bjorneby: A third generation potato grower from Minto, ND. He is in opposition of the bill. See attached testimony. (113)

Gary Secor: Professor of Plant Pathology at NDSU and am in support of this bill as to the aid it would give our research. See attached testimony.

Brad Nilson: From Hoople, ND. He is a certified seed potato grower and encourages support of HB 1086. See attached testimony.

John L. Galegher, Jr. Their family has raised potatoes for over fifty years in the Red River Valley in ND. See attached testimony in support of HB 1086.

Paul Dolan: Is employed as the manager of Associated Potato Growers in Drayton, Grafton and Grand Forks. See attached testimony in support of HB 1086.

Dale Collette: Farms SE of Grafton, ND. and is support of HB 1086.

Ronald Pape, Potato grower north of East Grand Forks, ND. His testimony is in favor of HB1806.

Mark Thompson: He is a seed potato grower from Park River, ND and serves as the Research Committee Chairman of the Northern Plains Potato Growers Association. His attached testimony is in support of HB 1086.

Justin Dagen; Justin is from NPPGA and his testimony suggests that the refund provision be removed now.

Randy Hurtt: Is a potato grower from Hoople, ND and his attachment asks for a yes vote on HB 1086.

Camburn Shephard of Crystal, ND is a fresh and process potato grower and is in support of the intent of HB 1086. Testimony attached.

Kit Midgarden of Hoople, ND is a potato farmer and has served two three year terms on the ND Potato Council. He is in full support of HB 1086. Testimony attached.

Richard Schlosser represents 35,000 members of the ND Farmers Union. Testimony attached is in support of HB 1806.

An attached copy of a news article from the Associated Press is included.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1086

House Agriculture Committee

Check here for Conference Committee

Hearing Date: 1-12-2007

Recorder Job Number: 1465

Committee Clerk Signature

Edward Ellefson

Minutes:

Chairman D. Johnson: Committee hearing on HB 1086.

Vice Chairwoman Kingsbury: Offers proposed amendments for 101 for 1086 and seconded by fellow committee member (no name written or said to identify person).

Rep. Kingsbury: I am introducing this bill at the request of the North Dakota Potato Council Association. The amendment would put the vote back to the potato growers.

The changes and description of changes are in attached testimony.

Roll Call vote was taken to pass the amendment. There were 9 yeas and 4 nays.

A motion was made to pass the amendment.

Rep Belter: He was not for the bill and said he understood the problems that face the potato industry but to change the rules for one group is not good public policy. If we make this change for the potato industry we are to see the other commodity groups come forward similar provisions. This problem needs to be solved within the industry itself. Unfortunately we have large players, but that is not the fault of the legislature or should the legislature deal with that.

Rep Kingsbury: There are commodities that are refundable and I compare them with honey which receives this ability. I am surprised to hear that there is fighting going on in this industry which is not true.

Rep Headland: I too will not support this bill. Rep Kingsbury said in her testimony that in there are check offs there are not refundable record should show that those are all national check offs. Currently the state check offs there are no commodities that allow non-refunding.

Rep Onstad: 50% of these funds are to be used for research but because of the large refund only 25% is being used for research. I feel that we should give a two year grace period and they can come back to us again at that time. I am going to support it as amended.

Rep Brandenburg: I do not feel that the amendment adjusts the fairness at all. I feel they need to sit down and resolve the issues they have within their industry. I will not support this bill.

Rep Kingsbury: I would like to add that the testimony did not include that the Wash plant for red potatoes, pays two cents extra for the process research.

Rep Brandenburg: Made a motion for a Do Not Pass.

Rep Headland: I second the motion.

Roll Call vote was 7 yeas, 6 nays and 0 absent for a do not pass.

Rep. Brandenburg will carry the bill.

Chairman Johnson closed the hearing for HB 1086.

FISCAL NOTE
 Requested by Legislative Council
 01/31/2007

Amendment to: HB 1086

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0			\$130,000		
Expenditures	\$0			\$130,000		
Appropriations	\$0	\$0				

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Passage of HB 1086, as ammended, would increase ND Potato Council revenues through the elimination of refunds. The increase in non refundable revenue is over \$130,000 in 2006. The trend is increasing annually and could likely top \$150,000 for the 2007 crop year

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

"special funds", ND Department of Agriculture, ND Potato Council

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Diane Peycke	Agency:	ND Potato Council
Phone Number:	218-773-3633	Date Prepared:	01/31/2007

FISCAL NOTE
Requested by Legislative Council
01/05/2007

REVISION

Bill/Resolution No.: HB 1086

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0			\$130,000		
Expenditures	\$0			\$130,000		
Appropriations	\$0	\$0				

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Passage if HB 1086 would increase ND Potato Council revenues through the elimination of refunds. The increase in non refundable revenue is over \$130,000 in 2006. The trend is increasing annually and could likely top \$150,000 for the 2007 crop year

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

"special funds", ND Department of Agriculture, ND Potato Council

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Diane Peycke	Agency:	ND Potato Council
Phone Number:	701-739-3366 cell #	Date Prepared:	01/04/2007

FISCAL NOTE

Requested by Legislative Council

12/27/2006

Bill/Resolution No.: HB 1086

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0					
Expenditures	\$0					
Appropriations	\$0	\$0				

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Passage if HB 1086 would increase ND Potato Council revenues through the elimination of refunds. The increase in non refundable revenue is over \$130,000 in 2006. The trend is increasing annually and could likely top \$150,000 for the 2007 crop year

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

"special funds", ND Department of Agriculture, ND Potato Council

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Diane Peycke	Agency:	ND Potato Council
Phone Number:	701-739-3366 cell #	Date Prepared:	01/04/2007

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1086

Page 1, line 2, remove the second "and"

Page 1, line 4, after "growers" insert "; and to provide a contingent effective date"

Page 3, after line 8, insert:

"SECTION 4. CONTINGENT EFFECTIVE DATE.

1. This Act becomes effective on the date the potato council certifies to the secretary of state and the legislative council that:
 - a. The potato council has conducted a referendum among all potato growers in the state, as indicated on the records of the council for the preceding year, to determine whether the ability to obtain a refund of the assessment paid under section 4-10.1-09 should be repealed;
 - b. The potato council prepared and mailed the ballots at least thirty days before the final date established by the council for filing ballots;
 - c. Each ballot was accompanied by a notice indicating the date and place at which the ballots would be tabulated and indicating that any grower may attend the opening and tabulation of the ballots; and
 - d. A majority of those voting upon the question favored repealing the ability to obtain a refund of the assessment paid under section 4-10.1-09.
2. The certification required by subsection 1 must be completed before January 1, 2008."

Renumber accordingly

Date:
Roll Call Vote #:

1086
1-19-07

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Agriculture Committee

Check here for Conference Committee

Legislative Council Amendment
Number

Action Taken amendments

Motion Made By Joyce Kingsbury Seconded By Tracy Boe

Representatives	Yes	No	Representatives	Yes	No
Dennis Johnson	✓		Tracy Boe	✓	
Joyce Kingsbury	✓		Robyn Frostel		✓
Wesley Bellin		✓	Phillip Muller	✓	
Mike Brandenburg		✓	Hunter onstad	✓	
Craig Headly		✓	Ben Vig	✓	
Brenda Weller	✓				
John D Wall	✓				
Benny Upton	✓				

Total (Yes) 9 No 4

Absent 0

Floor Assignment

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

HB 1086

Date:
Roll Call Vote #:

1-19-07

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House AGRICULTURE Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do not pass

Motion Made By BRAND Seconded By HEYLAND

Representatives	Yes	No	Representatives	Yes	No
Dennis Johnson, Chairman	✓		Tracy Boe		✓
Joyce Kingsbury Vice Chairman		✓	Rodney J Froelich	✓	
Wesley Belter	✓		Phillip Mueller		✓
Mike Brandenburg	✓		Kenton Onstad		✓
Mike Brandenburg			Ben Vig		✓
Craig Headland	✓				
Brenda Heller	✓				
John D Wall	✓				
Gerry Uglem		✓			

Total (Yes) 7 No 6

Absent 0

Floor Assignment BRANDENBURG

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

REPORT OF STANDING COMMITTEE

HB 1086: Agriculture Committee (Rep. D. Johnson, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (7 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). HB 1086 was placed on the Sixth order on the calendar.

Page 1, line 2, remove the second "and"

Page 1, line 4, after "growers" insert "; and to provide a contingent effective date"

Page 3, after line 8, insert:

"SECTION 4. CONTINGENT EFFECTIVE DATE.

1. This Act becomes effective on the date the potato council certifies to the secretary of state and the legislative council that:
 - a. The potato council has conducted a referendum among all potato growers in the state, as indicated on the records of the council for the preceding year, to determine whether the ability to obtain a refund of the assessment paid under section 4-10.1-09 should be repealed;
 - b. The potato council prepared and mailed the ballots at least thirty days before the final date established by the council for filing ballots;
 - c. Each ballot was accompanied by a notice indicating the date and place at which the ballots would be tabulated and indicating that any grower may attend the opening and tabulation of the ballots; and
 - d. A majority of those voting upon the question favored repealing the ability to obtain a refund of the assessment paid under section 4-10.1-09.
2. The certification required by subsection 1 must be completed before January 1, 2008."

Renumber accordingly

2007 SENATE AGRICULTURE

HB 1086

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1086

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: March 8, 2007

Recorder Job Number: 4681

Committee Clerk Signature

Cassie Krow

Minutes:

Sen. Flakoll opened the hearing on HB 1086, a bill relating to the definitions and referendums by potato growers and to refunds of nonparticipating potato growers. All members (7) were present.

Joyce Kingsbury, district 16, testified in favor of the bill. See attached testimony.

Sen. Taylor- one thing your testimony mentioned was equity with larger producers having multiple entities, can you explain how that works?

Joyce Kingsbury- yes maybe they are growing in one area with one farm and maybe in a partnership in another area with another farm and maybe even a third site and each one is considered a first handler and they would each have a vote.

Sen. Tallackson, district 16, testified in favor of the bill. See attached testimony.

Barry Kingsbury, from Walsh county, testified in favor of the bill. See attached testimony.

Sen. Klein- you said that they refund because they can, has there been any discussion with these refunders as to why they want to refund?

Barry Kingsbury- it is because they can.

Sen. Klein- you don't have any feed back then that you could take back to a board and say that we could keep these folks on board over here if we stuck a few bucks into this research?

Barry Kingsbury- the association has done just that in the past.

Sen. Klein- should this be mandated you guys would pick up about an additional \$130,000 what does that mean for the total budget, where are you currently at and what do you hope to be at?

Barry Kingsbury- I don't know the answer to that.

Sen. Klein- Rep. Kingsbury talked about other states with all inclusive provisions plus higher checkoffs, how do we rate as far as other states in how much we charge per hundred?

Barry Kingsbury- it is my understanding that we are one of the lower assessed states in our industry that have assessments. We have smaller budgets compared to many other states.

Ben Tucker, potato producer, testified in favor of the bill. See attached testimony.

Sen. Erbele- of the people that refund do they generate refunds 100% of what they have coming to them or can you just say that you want \$5,000 back from when they may have placed \$15,000 in or do they generally take the 100% out?

Ben Tucker- they do have that option, they generally receive their refund and then write a check back. Sometimes they will refund their chip money but not their red money. It works in many different ways.

Sen. Erbele- we heard that 2% or refunding nearly 25% of the funds is that then the request not taking into consideration of what they are taking back in or are you still losing 25% of the funds even after they have paid back?

Ben Tucker- even after that we are losing 25% of our budget.

Sen. Taylor- its been mentioned a little bit about variety development and I am curious what the associations relationship is with the NDSU and how you participate with variety development. Is there a transfer of funds or support, how do you go about that?

Ben Tucker- we over the decades have had a very close relationship to NDSU, we do fund the program and they do a good job of taking those funds and going out and finding matching funds to bring into all of their programs.

Sen. Klein- so I can lead to believe then that it is just a small group of big producers that are hitting the fund the hardest?

Ben Tucker- that would be true.

Sen. Klein- as boards meet do you have a quarterly or annual meeting announced to everyone and participation is then by the entire industry, how does the board that works with these funds operate?

Ben Tucker- the board is made up of farmers we talk with our neighbors and we meet and we set up the budgets and we divide up to committees where non board members are on the research committee or marketing committee. We do have an annual meeting.

Rod Holth, KIP Farms, testified in favor of the bill. See attached testimony.

John L. Galegher Jr., potato producer, testified in favor of the bill. See attached testimony.

Sen. Klein- you talked about the other industries and the refunding ability and issues that they have concerns with. Has any discussion been held at all on whether or not an increase to the checkoff is even something that has been considered?

John Galegher- we have always had refund situations for various reasons, there has been discussions about raising the assessment or attempting to which would take action by the North Dakota Potato Council and I think that at the end of the day the decision was reached that we already have what is referred to as a common dilemma which is receiving the benefits without having to pay for them and we decided that it was inequitable to ask the people that are already supporting the issue to pay more so that others could have free benefits.

Deana Wiese, testified in favor of the bill on behalf of Kent Albers from the ND Ag Coalition.

See attached testimony.

Woody Barth, NDFU, testified on behalf of the bill.

Woody Barth- We support the potato growers associations right to determine their own policy on their checkoff by referendum. We support the bill as engrossed.

Sen. Flakoll- did you also support the bill as introduced?

Woody Barth- yes and the engrossed version also fits better with our policy.

Brian Kramer, NDFB, testified in favor of the bill.

Brian Kramer- We support the bill, we have a policy supporting the potato council and the potato growers association in their efforts to have this bill put forward. I think the provision that allows the potato growers to ask themselves the question of whether or not they want a non refundable checkoff is a very fair way of going about it.

Sen. Klein- would you support mandating a wheat checkoff?

Brian Kramer- if our members came to use and put that through or policy development process and the policy was there.

Testimony in favor of the bill was also submitted by **Duane Maatz, Mark Thompson, Bob Moe, David Moquist, Paul Dolan, Brad Nilson, Nick Otto, Dale Collette, Randy Hurtt, Camburn Shepard, Kit Midgarden, Keith Bjorneby, and Justin Dagen**; see attached.

Keith McGovern, lived in ND for 19 years, testified in opposition to the bill. Went over map with committee 45:50-55:23.

Sen. Taylor- your families operations in other states you mentioned that some mandatory higher checkoffs and some have none, as far as the bulk of your production what is the layout as far as you support other industries in other states?

Keith McGovern- the largest amount of our production is Minnesota we do have a large operation in Oregon that functions as part of the Washington potato growers association. The Washington organization typically leads the industry in negotiating contracts with potato processors.

Sen. Taylor- and what is the layouts in Washington and Oregon as far as their checkoffs?

Keith McGovern- it is mandatory but I can't tell you quite what it is.

Sen. Erbele- when you were talking about when they can refund did I hear you say that sometimes in some cases the reason for the refund would be because of a bad growing situation on a particular farm or something that those refund dollars might be what would keep them whole for that year?

Keith McGovern- I don't think it is enough to keep them whole but it might make them feel better.

Sen. Wanzek- in your view do you think that you would have a fair chance of having someone represent your side to be able to get on the council through their governance process?

Keith McGovern- I do think that we would have a fair chance.

Sen. Behm- what is your checkoff policy in Minnesota?

Keith McGovern- it is a mandatory checkoff.

Sen. Erbele- it was stated earlier that 25% is refunded, what would you have to take to the table to drop that down/

Keith McGovern- I believe that if this bill was killed there would be hardly any refunding but if people had say on how their money was spent.

Duane Espegard, representing himself, testified in opposition to the bill. See attached testimony.

Duane Mutch, former senator, testified in opposition to the bill.

Duane Mutch- I stand in opposition to this bill, I think that it is unfair and confusing to have it non refundable.

Craig Steinmeiser, farmer/grower, testified in opposition to the bill.

Craig Steinmeiser- I stand in opposition to this bill. I currently do not refund and do not feel that we need to have a mandate because I think it makes you lose your stand on things. I think we need to stream line things.

Sen. Wanzek- if this bill does fail do you think that out of bitterness that people may refund, are you willing to keep your money in there?

Craig Steinmeiser- I don't think that it will matter either way.

Sen. Wanzek- you are not going to start refunding out of bitterness?

Craig Steinmeiser- not me personally.

Jeff Vonrey, grower, testified in opposition to the bill.

Jeff Vonrey- this is the first time that I have refunded in 12 years. I don't think that it is fair one vote one grower. I support a do not pass.

Sen. Klein- beyond the checkoff the growers are required to pay \$100 to the board?

Jeff Vonrey- yes in every association and every group.

Jack Scott, grower/producer, testified in opposition to the bill. See attached testimony.

Mike Sitzmann, farmer, testified in opposition to the bill.

Mike Sitzmann- I stand here in opposition to this bill and I encourage a do not pass vote.

Sen. Flakoll closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1086

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: March 8, 2007

Recorder Job Number: 4734

Committee Clerk Signature



Minutes:

Sen. Flakoll opened discussion on HB 1086.

Sen. Heckaman- I think however we vote it is not going to resolve anything for either side.

Sen. Behm- I feel very uncomfortable voting either way. If I could I would rather not vote.

Sen. Taylor- I only have one potato grower in my district and he is for this. It seems like the russet guys are upset but that they have good representation on the board. Beef has a mandatory check off and there is no complaint with that, it is kind of a fairness issue.

Sen. Heckaman- I think that there may be some ways for them to sit down and use their import dollars to channel that back out into the area. They should figure this out among themselves.

Sen. Wanzek- I guess I can appreciate both sides concerns I wonder if there is some way to put a little bit of teeth in this study. If it does become mandatory I would like to know more about that too.

Sen. Taylor- We could do something with the effective date of the legislation of one year or something of that nature.

Sen. Heckaman- or we could say something like that there will be a negotiation period from such and such a date and if something hasn't been resolved then it would go to a study or something like that. Is there any thought of having them decide this amongst themselves?

Sen. Flakoll- it has forced them to try to come to a resolution on this but I think that it still goes back and forth.

Sen. Erbele- did they ever make clear what that offer was?

Sen. Flakoll- no.

Sen. Wanzek- it seems to me that they have very different needs.

Sen. Heckaman- well you have 1/3 of the people and 2/3 of the money and I think that is where the problem comes.

Sen. Flakoll closed the discussion.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1086

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: March 9, 2007

Recorder Job Number: 4782

Committee Clerk Signature

Passa Krohn

Minutes:

Sen. Flakoll opened the discussion on HB 1086.

Sen. Klein- a lot of discussion yesterday on both sides, I sense that there is a little tension among the groups and that we are going to have a struggle to pass this. We talked about a council study with has interest from some of the parties and some suggesting not. The study would have some sort of the direction and that would be given by that committee whose job would be to see to it that the issue in the study are covered and that there is something resolved from that. I would like to hog house the bill and make it more of a study. I would move the amendments.

Sen. Taylor- we did have some amendments that someone else brought to the table also that I think that we should take a look at regarding research and electing their dollars toward that. My preference would be to fail this study for now and visit a couple of things on the bill itself and if those are unattached then come back to a study resolution.

Sen. Klein- I don't think that I would support that. I have a sense that the bill has some trouble. I would support a study I don't know if I would support all the other amendments.

Sen. Erbele- if we would go to the amendment of allowing them to determine where to go with their refund is that really the major issue? Cause I think that would still cause some conflict