

2009 SENATE GOVERNMENT AND VETERANS AFFAIRS

. SB 2242

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2242

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/30/09

Recorder Job Number: 8222

Committee Clerk Signature *Katie Oliver*

Minutes:

Chairman called the committee to order, the clerk called the roll,

Senator Ryan Taylor: Senator Ryan Taylor, district 7, if it would be helpful I will have Anita Thomas from legislative council do a quick walk through on the bill and some of it's technical aspects.

Anita Thomas: This bill has one purpose and that is to raise per diem for agricultural boards from \$75 to \$135 a day. The reason Senator Taylor and I are here is explain some of how this bill connects with the agricultural title rewrite. You are going see some things that look very familiar. Sec 1 for instance, normal heading, as you go through the bill you will see references to 1025, the title rewrite does not pass and then you are going to see amendments of sections that have not been enacted yet. When we did the title rewrite we went into 13 different chapters of the code. When we amend sections of the code that 1025 has already touched we have to figure out how to intersect them. If you start with section 1 this is a normal section that is in no way impacted by the title rewrite and it pertains to the state fair board. Section 2, is normal and pertains to the state board of agriculture research. Section 3 pertains to the seed commission. Section 4 seed arbitration board, and then we get to section 5 where sections intersect in rewrite and what we do at this point is pretend that the title rewrite that bill 1025

does not exist. These are the amendments under any circumstances. Section 5 has to do with the potato council. Sec 6 refers to the oil feed council, section 7, dry beans, section 8 barley, section 9 soy beans, section 10 corn council, section 11 dry pea and lentil council, section 12 is a normal one that refers to APUK. Section 13 milk marketing board, section 14 soil conservation committee, section 15 dairy promo commission, section 16 wheat, section 17 beef commission. Section 18, we are going to assume that the title rewrite does pass, we are saying that if the title re write passes, we are amending what is already in 1025. That is why you are seeing that this is chapter 4.1 it is done as an amendment to 1025 for 2 reasons. 1) So that we don't have a conflict and 2) so that you can actually see what the proposed changes are. I know that there has been a lot of confusion in a lot of the other committees about 1025 and if we have an issue with a later passed bill and I can assure you that we do not; that is why we do the amendment section, that's why that heading from section 18, 19, and on from several others looks a little bit differently than you would normally see.

Section 18 has to do with the barley council, section 19 is beef.

When did title rewrite told not to change policy. Many of the groups came up during the course of the interim and said that they would like their per diem fees raised from \$75 to \$135 a day. Senator Flakoll who sponsored the title rewrites last session and interim Chairman Representative Muller said no that was not intent throw a separate bill in. That is why this bill is in front of you today. But if you chose to pass this bill the law would be at \$135.

Section 20 is corn; section 21 is the dairy, section 22 deals with dry bean, sec 23 oil seeds, section 24 pea and lentil. Section 25 potato council, section 26 soybeans, section 27 wheat, section 28 pertaining to the agriculture mediation service, that was not part of the title rewrite.

Section 29 Board of Animal Health and Section 30 Board of Appraisers; when we did title rewrite, did not change legislative policy and we changed the dollar amount, some of the

sections say that you can be paid up to a certain dollar amount, other's reference that dollar amount specifically. I know there has been some conversation about which direction that should go, and that would take an amendment and we would be happy to help the committee if they wanted to make any changes to that.

Senator Ohelke: Board of Appraisers, are they appraising animals or land?

Anita Thomas: If an animal is diseased and it is condemned by the Board of Animal Health there is an element of remuneration and that is what this board is charged with doing.

Senator Dever: Fiscal note says it is from other funds. Can we assume with all of these that it is from membership fees?

Anita Thomas: I know it is on the commodity groups I have not looked at fiscal note in regards to Board of Appraisals.

Senator Dever: Do you know if it was the intention, at setting this at \$135, to be consistent with legislative pay?

Anita Thomas: Yes, tie the amount to increasing skill get a large fiscal note.

Ryan Taylor: Once again, Ryan Taylor for District 7. I introduced 2252; I was Vice Chairman of the interim agriculture committee that was responsible for doing the Ag Century Code rewrite over the last year and a half. We were not going to make big changes in re write and changing the compensation would have been a substantial change. This has gone on for a number of years as you can see, the language in bill previously was \$75 so it has been some time since this was adjusted. It is my understanding is change was made when my predecessor Ken Solberg I think brought it up a number of years ago and at that time legislative pay was \$75 so the Ag boards were brought up at that time to match legislative pay.

Not a huge outcry for pay raise generally these are humble folks and they are not of the nature to complain. But I know from experience, maybe with the folks that lead these groups that pay

is an issue. I employ a few folks on our ranch back home and even when I am down here at the legislature, I think that the key to personally be able to have help is to give a raise before they ask for it. I think that fair compensation is a key to keeping good help around. Just like the legislature I think we want the best folks possible on these boards, not just the ones that can afford it, but they want to. Just like us being way from our own businesses we know we have better things to do and compensation will help take up the slack. Similar to what we do, can be tedious at times. Just as tired at the end of the day of meetings. I think it's fair to say if our time is worth \$135 a day then their time is worth \$135 a day. One thing that was given to me by a lobbyist; see attached handout #1.

Senator Horne: I haven't served on any boards, one question, do these folks have legal authority to set policy?

Senator Taylor: They do have legal authority to make legal policy. As they direct dollars towards promotion, research, and other things they have a fair amount of authority. They also have their own election process.

Senator Dever: Authority is spelled out in Century Code that is what the rewrite does

Senator Horne: They have a certain amount of responsibility that comes with their responsibility.

Senator Dever: Fiscal notes, 2nd page, 3 of them have 0 paid members and 0 times met during biennium and this would represent a 0 increase in their compensation.

Senator Taylor: 1st page of the fiscal note sub section B, it says no impact on potato council which is one of those that are paid less. It is also not impacted because the board meets as part of regional group. Pay comes from another entity. Need to do more thinking about potato council.

Senator Dever: Raises questions about existence of board.

Senator Taylor: I can talk to Jeff and get answer and bring back to committee.

Scott Rising: See attached testimony #2.

Senator Horne: The commissions listed in blue (attachment #1) are check off organizations? Does the legislature cap these at \$60 or can this organization raise it on their own?

Scott Rising: The jest of legislation currently they are capped at \$75 rate. The legislation suggests that they be given the authority not exceed \$130 rate, but those council members are not forced into that if they chose to go lower than \$75 then they can.

Senator Horne: Even though they are check off they are governed by state law?

Scott Rising: Yes sir

Senator Dever: Is it safe to assume that this bill would not create a hardship with budget constraints.

Scott Rising: I think that is true simply by the fact that they are allowed to adjust their rates according to what their budget can support. They can't exceed \$135 but they can do less.

Senator Dever: Increasing from \$75 to \$135 is not a problem.

Scott Rising: No sir.

Doug Goehring: I am Doug Goehring, I serve on North Dakota Soybean Council. We are the check off organization, one of the ones listed on sheet, I have not written prepared testimony. There are a few issues for our producers that exist in the state of North Dakota and how we operate and function on boards; one is not only recruiting but retaining help. Over a lot of years we have a lot of producers that say it's tougher and tougher to volunteer time. When hired man cost \$120 to \$160 a day with payroll taxes. During the winter, there are shorter days, not as much time outside working. As of this morning I felt it was important to be here, I had to hire a truck to haul corn this morning and that cost me \$400 so it is kind of going backwards. But it is in service of industry in both the state and nation. There is statute on how we are governed in

the state, we would like to see that changed to allow our producers and members to work without hardship. Concerning earlier question, there is a liability when working with these boards.

Senator Nelson: I only see one soy bean on the list.

Doug Goehring: Growers are a nonprofit outside organization. The council is national check off organization but because there is statute there is language in the state of North Dakota and Century Code that refer to a check off. It is strange that operate under the guidelines, to some degree under the state, but we are a national check off.

Senator Nelson: But they can be part of your group.

Doug Goehring: Yes, work with them to carry out some work.

Louis Arnold: My name is Louis Arnold and I am presently Chairman of North Dakota Barley council, I am in favor of the increase. I guess one of the reasons that I would like to present to you is that if you look at me I am pretty gray haired. Spent 2 complete terms on council, in order to get younger people we need to compensate. Business is business and in order to attract young men we need to pay them. Barley council is in favor.

Senator Dever: Anyone else to speak for 2242?

Tom Lilja: Not to repeat a lot of things our council did have an incident member hit a deer last year and things add up. Key to get younger people involved. ND corn growers and ND corn council both stand in support of 2242.

Senator Dever: Any questions? Thank you Tom. \$135 a day does not detract from volunteer of boards

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2242

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/30/09

Recorder Job Number: 8227

Committee Clerk Signature

Minutes:

Committee work

Senator Nelson moved a Do Pass with a second by Senator Horne. The bill was re referred to the appropriations committee. The bill was passed with 4 yeas, 0 nays, and 1 absent and not voting. The bill was carried to the floor by Senator Horne.

FISCAL NOTE
Requested by Legislative Council
01/20/2009

Bill/Resolution No.: SB 2242

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$166,100	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 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).*

This increases the payment for board members for various agricultural boards to \$135 per day.

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.*

All sections relate to the fiscal note because the expenditures are increased. The bill will have no impact on the Beef Commission and the Potato Council because both agencies are currently paying board members an amount per day less than the current maximum allowed. The Dairy Promotion Commission is also not impacted because the board always meets as part of a regional group which pays expenses.

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.*

This has no effect on revenues.

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.*

This will increase special fund expenditures by about \$166,100. The details by organization are provided below.

Agency/Board	Increase in Compensation per Day	Number of Days of Meetings per Biennium	Number of Paid Members	2009-11 Expenditures
ND State Fair Association	\$ 60	50	9	\$ 27,000
SBARE	\$ 60	14	10	\$ 8,400
State Seed Commission	\$ 60	8	7	\$ 3,360
Seed Arbitration Board	\$ 73	2	2	\$ 290
Potato Council	0	0	0	\$ -
Oilseed Council	\$ 60	4	13	\$ 3,120
Dry Bean Council	\$ 60	12	6	\$ 4,320
Barley Council	\$ 60	72	5	\$ 21,600
Soybean Council	\$ 60	20	8	\$ 9,600
Corn Utilization Council	\$ 65	7	30	\$ 13,650
Dry Pea & Lentil Council	\$ 60	20	5	\$ 6,000
Ag Products Utilization Commission	\$ 73	16	6	\$ 6,960
Milk Marketing Board	\$ 60	12	5	\$ 3,600
State Soil Conservation Committee	\$ 90	10	7	\$ 6,300
Dairy Promotion Commission	\$ -	0	0	\$ -
Wheat Commission	\$ 60	96	7	\$ 40,320
Beef Commission	0	0	0	\$ -
Credit Review Board	\$ 70	13	6	\$ 5,460
Board of Animal Health	\$ 85	8	9	\$ 6,120
TOTAL				\$ 166,100

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.

This will have no effect on appropriations.

Name:	Jeff Weispfenning	Agency:	Agriculture
Phone Number:	328-4758	Date Prepared:	01/29/2009

Date: 1-30
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

2242
Horne
Carroll
Committee

Senate Government and Veterans Affairs

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass - re referral

Motion Made By Nelson

Seconded By Horne

Senators	Yes	No	Senators	Yes	No
Dick Dever	X		Dwight Cook		
Dave Oehlke	X		Carolyn Nelson	A	
Robert M. Horne	X				

Total Yes 4 No 0

Absent 1

Floor Assignment _____

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

REPORT OF STANDING COMMITTEE

SB 2242: Government and Veterans Affairs Committee (Sen. Dever, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (4 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2242 was rereferred to the **Appropriations Committee**.

2009 SENATE APPROPRIATIONS

SB 2242

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2242

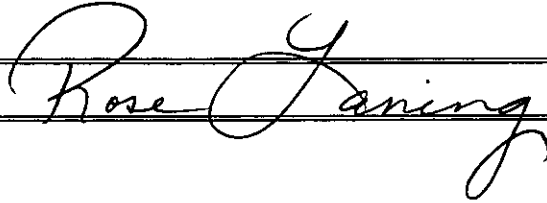
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8763

Committee Clerk Signature



Minutes:

V. Chair Grindberg called the committee hearing back to order in regards to SB 2242 relating to the per diem compensation for members of agriculture-related boards.

Senator Ryan Taylor, District 7,

Testified in favor of SB 2242 – prime sponsor.

Ag boards met and did a code re-write. The ag per diem 10-15 years ago was \$75/day for board members, and being a lot of work is involved in being on the various boards, the bill would take the per diem up to \$135 day.

V. Chair Grindberg asked for questions. Thank you

Scott Rising, ND Soybean Growers Association

Testified in favor of SB 2242. (No written testimony)

V. Chair Grindberg asked for further testimony and since none, closed the hearing.

Senator Mathern moved Do Pass on 2242.

Senator Warner seconded. .

Discussion:

Senator Christmann asked if these are paid out of general funds.

Sen. Ryan Taylor replied that a fiscal note is attached of \$166,000 dollars. The 2nd page of fiscal note mentioned that half of the groups are check off groups so that would come out of their own budgets and the language is that they "may not exceed", so they can take their board members up to \$135 dollars.

A Roll Call vote was taken. Yea: 12 Nay: 0 Absent: 2

Date: 2-5-09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ~~2242~~ 2242

Senate Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended

Motion Made By Sen Mathern Seconded By Sen Warner

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Ch	✓		Sen. Tim Mathern	✓	
Sen. Tony S. Grindberg, VCh	✓		Sen. Aaron Krauter	✓	
Sen. Bill Bowman, VCh	✓		Sen. Larry J. Robinson		
Sen. Randel Christmann	✓		Sen. John Warner	✓	
Sen. Rich Wardner	✓		Sen. Elroy N. Lindaas	✓	
Sen. Ralph L. Kilzer	✓		Sen. Tom Seymour	✓	
Sen. Tom Fischer					
Sen. Karen K. Krebsbach	✓				

Total Yes 12 No _____

Absent 2

Floor Assignment _____

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

REPORT OF STANDING COMMITTEE

SB 2242: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2242 was placed on the
Eleventh order on the calendar.

2009 HOUSE AGRICULTURE

SB 2242

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2242

House Agriculture Committee

Check here for Conference Committee

Hearing Date: March 6, 2009

Recorder Job Number: 10340

Committee Clerk Signature

R. Mae Kueh

Minutes:

Senator Taylor, Sponsor: The per diem compensation with a number of agricultural organizations in the state is what we are talking about here. Half are check-off funded and the other half are state boards that relate to agriculture. The per diems are currently set at \$75 maximum per day for the people that serve on those boards. I don't serve on those boards so there is nothing in this for me. This is something that had not been changed for 15 years. I can't say there was a cry from these people for an increase. They are pretty humble and don't complain a lot. I try to pay my employees as fair as I can. I try to give a raise before they ask for it if you want to retain good employees. These jobs are not physical work but are demanding mentally and intellectually. It is similar to our work. Many would rather be home on the tractor. They could be losing money back home. If HB 1025 does pass, this language would plug right in. If it doesn't pass, it would go back to the original titles. The fiscal note funds are coming from the check-off organizations so it is not an appropriation from the general fund.

Representative Belter: Some places it says \$135 and some places it says "not to exceed \$135."

Senator Taylor: The "not to exceed" language is on the check-off funded organizations because those are their own funds. We give them the authority to set what they want up to \$135. With the state boards they need a fixed number so now it is fixed at \$135.

Representative Kingsbury: Looking at the Dairy Promotion Commission, it is zero for the check-off. The Milk Marketing Board comes through the legislature. Why is that different?

Senator Taylor: The Dairy Commission also works with federal funds. The Milk Marketing Board is a state board.

Representative Rust: All this bill does is change the compensation from \$75 to \$135? There is nothing else changed.

Senator Taylor: That is correct.

Scott Rising, ND Soybean Growers Assn.: The compensation periods are limited to the actual times at meetings and events. It does not include preparation time associated with many of the issues. **(Written testimony attached #1a) (Attachment #1b)**

Representative Rust: As a school superintendent, I served on a board that met during the week. I was not allowed to collect any money because my home school district was paying my salary that day. Is that true with any of these individuals? Are they collecting a salary that day from an organization? Would that be a double dip?

Scott Rising: From the commodity group standpoint, on the Soybean Council there was one person from the Dept. of Ag and was not compensated like the rest of the folks. There are some connected with the Federal Government which works the same way. To my knowledge, state employees or employees that work for other entities, other than farmers, on the Soybean council are compensated by their own organization. The farmer is compensated.

Representative Mueller: Do you think a change in pay will increase the pool of good participants in these organizations?

Scott Rising: I don't know. I think you are born with a "to serve" gene. There is a shrinking pool of people and their time has more of a demand. Agriculture has changed. The farmer needs to be scheduled. It may cost \$400 to hire someone else to drive the truck the day there is a meeting.

Deana Wiese, ND Ag. Coalition Administrator: The cost to be away from the operation often exceeds the pay for the meeting. **(Written testimony attached #2)**

Representative Froelich: Some of these organizations are on a very limited budget. If we increase the salary, are they going to come back the next legislative session and ask for an increase in the check-off?

Deana Wiese: There hasn't been any discussion on that.

Representative Vig: I look at the list and the Dry Bean Council meets 12 times, Oil Seed meets 4 times, Barley Council meets 72 times, Wheat Commission meets 96 times in a biennium. Why do some meet a lot and some are under 20 meetings?

Deana Wiese: I believe the organizations set their meetings.

Tom Lilja, ND Corn Growers: Expenses in attending meetings do add up.

The Corn Council meets 3-4 times a year but we have a lot of conference calls throughout the year. That might make the difference in the number of meetings. I think this increase in compensation would help in retention of board members. We do have a couple of industry representatives that serve on our board that are grain buyers. We do reimburse them mileage for those meetings but we do not give them a per diem because they are on a payroll.

Representative Schatz: This is an 80% raise. That seems like quite a bit. Are we going a little too big?

Tom Lilja: These members do make some good decisions. They work with million dollar budgets. For the time they are putting in, it is justified.

Vice Chairman Brandenburg: I'm looking at the number of paid members for Corn Utilization Council. Can you explain why there are 30 members?

Tom Lilja: The Corn Growers Board and the Corn Utilization Council meet together. But that is only three times a year. We have five different committees with six people on them. The growers do have some input in the decisions.

Vice Chairman Brandenburg: So there aren't actually 30 board members. There are seven board members. You've asked these other people to come in and give reports.

Tom Lilja: Correct. It works well when you have a smaller committee that focuses on a project. We have a committee for research, for planning, for finance, etc.

Representative Rust: If you have an hour conference call, is that a meeting and \$135?

Tom Lilja: I have to write the minutes but it is not a meeting. They are not reimbursed for that.

Representative Vig: Yesterday we had an increase on the Barley check off. We asked what the money is spent on—is it research or staff? We are spending a lot of money on staff salary here. We were promised research.

Dan Wogsland, Executive Director, ND Grain Growers: This increase would help to recruit and retain board members. In answer to the question, are we going to see increases in the check off to pay these new board fees? When all of the commodity groups come before the legislature at the beginning of the session and explain what they are taking those funds for, that is when you can delve into what went for salaries or the places that you think are important. I don't think anyone is going to come in front of the legislature and say we paid this on the basis of giving ourselves a raise. I don't think anyone will buy it. That is the beauty of the oversight of the legislature. I think the money need to go to research. What I can explain on the 96 meetings of the Wheat Commission, individuals are going on trade missions, etc.

Representative Vig: Are the members paid when they go on the trade missions?

Dan Wogsland: I don't know.

Vice Chairman Brandenburg: I won't disagree that this wage is probably not adequate. But the members out there are just going to go wild if we increase it this high. Would a staircase type of increase be more appropriate?

Dan Wogsland: That is the beauty of this language which gives these boards and commissions the opportunity to go "up to \$135." You have to have the support of the producers.

Opposing: None

Chairman Johnson: Closed the hearing.

Representative Froelich: I concur with Representative Belter. Some of the wording could be changed to "may not exceed." It is not on all places. This would make it uniform.

Vice Chairman Brandenburg: I don't deny that this increase could be justified. But we have to think of some of the people that aren't here. Maybe we should deal with some of these wages in a staircase type of effect.

Representative Belter: I don't have a problem with the way the bill is written. We just need a clarification on some of the differences.

Chairman Johnson: I felt that way too, to give the commodity groups the opportunity to go "up to" that level.

Vice Chairman Brandenburg: Then they all say, "The legislature let us do this."

Representative Mueller: We let them, but they are the ones actually choosing to do it.

Overall I think it is a pretty good piece of legislation.

Representative Schatz: I agree with Representative Brandenburg. I'd like to see a step-by-step method and then see how many go up to the maximum. It is too bad this wasn't done

over the last 10 years rather than all of a sudden. An 80% to 100% increase is hard to sell on the floor.

Representative Kingsbury: The down side of this is, you might have to pay for elections for runoffs to get on these boards.

Chairman Johnson: I still feel that by giving them the \$135 option, they are going to have to answer to their constituents and growers more than the legislature is going to have to answer. That is commodity dollars not state appropriation dollars.

Representative Froelich: Moved Do Pass.

Representative Kingsbury: Seconded.

Representative Uglem: A lot of these board members travel long distances and leave their normal business just like we do here. I feel it is justified. I don't think we'll hear a big squabble from our commodity groups.

Representative Kingsbury: About 15 years back when my husband was on the Bank of ND board sometimes we'd get up at 4:00 a.m. and drive out for the meeting.

Vice Chairman Brandenburg: Some of these boards you do it for a position of honor. You do it not for the money but because you want to be on the board. You want to have an impact on the industry that you are a part of.

A Roll Call vote was taken. **Yes: 9, No: 2, Absent: 2**, (Representatives Boe and Holman).

Representative Froelich will carry the bill.

Date: 3/12/09

Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Agriculture Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass' Do Not Pass Amended

Motion Made By Rep. Froelich Seconded By Rep. Kingsbury

Representatives	Yes	No	Representatives	Yes	No
Dennis Johnson, Chair	✓		Tracy Boe	AB	
Mike Brandenburg, Vice Chair		✓	Rod Froelich	✓	
Wesley R. Belter	✓		Richard Holman	AB	
Joyce M. Kingsbury	✓		Phillip Mueller	✓	
David S. Rust	✓		Benjamin A. Vig	✓	
Mike Schatz		✓			
Gerry Uglem	✓				
John D. Wall	✓				

Total (Yes) 9 No 2

Absent 2

Bill Carrier Rep. Froelich

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

Approp

REPORT OF STANDING COMMITTEE

SB 2242: Agriculture Committee (Rep. D. Johnson, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (9 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). SB 2242 was rereferred to the Appropriations Committee.

2009 HOUSE APPROPRIATIONS

SB 2242

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2242

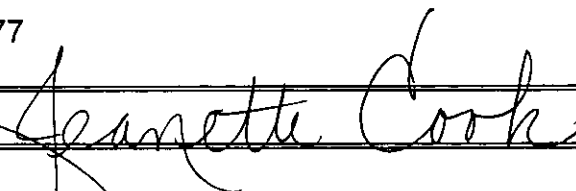
House Appropriations Committee

Check here for Conference Committee

Hearing Date: March 24, 2009

Recorder Job Number: 11477

Committee Clerk Signature



Jeanette Cook

Minutes:

Chm. Svedjan: SB 2242 comes from House Agriculture and deals with Ag. board member payment increases.

Rep. Dennis Johnson approached the podium to explain SB 2242. It is the commodity group increases. They want to go to \$135 cap from their present levels. There was no opposition to this bill. There is a fiscal note, but it is back to the commodity groups. We felt that it is up to the boards. If they want to increase to \$135, they will have to answer to their membership.

Chm. Svedjan: The increases are disparate. Some are at \$75 going up to \$135.

Rep. Johnson: It would be possible to go up to that level, but we just raised **the cap** to \$135. They can put it where they want to. It gives them the ability to go to \$135 if they choose. That way they wouldn't have to come back each time they wanted a change. They would need to answer to their membership.

Chm. Svedjan: The impacts are noted on the back of the Fiscal Note, the \$66,100 analysis. That appears to be a loose figure in that there is no way of knowing who will go where.

Rep. Johnson: That's correct. There are twelve commodity groups, and it would be at the discretion of each group board and the membership.

Rep. Metcalf moved a **Do Pass** on SB 2242.

Rep. Meyer seconded the motion.

Rep. Meyer: Why is there no impact to the Beef Commission and the Potato Council?

Rep. Johnson: It explains on the fiscal note that the bill will have no impact on the Beef Commission and the Potato Council because they are both agencies are currently paying board members an amount per day less than the current maximum allowed.

Rep. Meyer: But isn't that what the bill is designed to do?

Rep. Johnson: It is. I can't answer that.

Rep. Berg: Each board can decide what they want to pay their members. It means that they have been below that amount, and they will remain at the amount that they have.

Rep. Johnson: Not all the groups came in asking for this. Some may not participate.

Rep. Delzer: Why is the State Fair Association in this? It's not a commodity group.

Chm. Svedjan: That's a good question. Everything else relates to commodities.

Rep. Johnson: We didn't have any discussion about that.

Rep. Wald: The Credit Review Board is not a commodity group or the State Soil Conservation committee.

Rep. Johnson: The commodity groups are the ones that asked for the increase, but they are all included in the same part of the statute. Would they be under the same chapter?

Rep. Nelson: What was the rationale of the \$135 per day? I believe the Interim meetings for legislators were at \$108 at that point in time. Were they anticipating matching up with legislative pay?

Rep. Johnson: They just came up with that number. They didn't compare it to any other group.

Rep. Delzer: When you read these bills, we are setting at \$135. Some are set 'not to exceed \$135.' There's more than just allowing Boards to go up.

Chm. Svedjan: Did all the commodities testify in favor of this?

Rep. Johnson: There were no commodity groups that opposed this. Some just came in to ask for this increase. Farm Credit Review and the other associations did not testify.

Rep. Berg: It says, "Each member of the Board of Directors is entitled to receive compensation in the amount of \$135." If they decide they want to pay each member \$100, it is up to each board. Is that correct? Or does this language say that it has to be \$135?

Roxanne Woeste: It depends on how the sections are worded. In some sections it says, 'that the board members are entitled to receive \$135'. That would be their pay. In other sections it says 'may not exceed'. Then that would be the upper limit. The sections are worded differently. It depends on how the sections are currently worded.

Chm. Svedjan: There are several, "May not exceeds".

Rep. Berg: I would prefer just having that as a cap throughout here.

Rep. Johnson: It was our understanding that it would not exceed the \$135.

Chm. Svedjan: There is a perception issue. Where it says 'they are entitled to' is very different than 'not to exceed'. Did the commodity groups **all** come in and ask for this?

Rep. Johnson: It was the commodity groups that came in. When you read through here it is the commodity groups that has the language 'may not exceed \$135'.

Chm. Svedjan: They en masse asked for this change?

Rep. Johnson: Yes.

Rep. Berg: What about the equity money?

Rep. Berg: If there's a way that to make this so that this is a cap.

Roxanne: \$135 is the cap.

Rep. Berg: I wondered if "entitled" doesn't mean they can set it at whatever they set.

Chm. Svedjan: Entitled to me would mean that they **will get** \$135. If we were to have consistency, I think that in all cases we should say, 'may not exceed \$135'.

Rep. Berg: ... up to.

Chm. Svedjan: 'up to' or 'may not exceed'... What is your preference?

Rep. Berg: I would make a motion to say "up to \$135" in all areas.

Rep. Klein seconded the motion.

Chr. Svedjan: The substitute motion is to change the wording in all sections of the bill to indicate that payment for service could be up to \$135 per day.

Rep. Delzer: One of the major differences, as you look through the bill, is that the ones that say are "entitled to receive" are historically the ones that the legislature sets. I'm not sure we should be giving them the authority. Who asked for all of the section to be changed instead of just the commodity boards?

Rep. Johnson: This is the way the bill came in to us. The ones that testified are the ones that say "not to exceed."

Rep. Wald: If we remove the State Fair, the Soil Conservation, and the Credit Review board from the bill, would that solve Rep. Delzer's issue?

Rep. Delzer: I don't have a terrible issue. We've come through and raised them in the past. I think most of these that say 'are entitled to receive' answer to state agencies. Whether we want to give them the authority to set that, I don't know.

Rep. Berg: Some of these are appointees of the Governor. I don't think it's appropriate for them to make the decision on what their compensation should be. It probably is a legislative decision. I started to think about the commodity groups, they go out in their membership and elect them. They are not appointed. The motion I made may be inappropriate. The cases where it sets it are probably appointing the members.

Rep. Berg: I would like to withdraw my amendment.

Rep. Klein agreed.

Chr. Svedjan called for a roll call vote on the Do Pass motion for SB 2242.

Aye 14 Nay 7 Absent 4

The motion carried.

Rep. Froelich will carry SB 2242.

Date: 3/24/09
 Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

Full House Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Metcalf Seconded By Meyer

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan		✓			
Vice Chairman Kempenich		✓			
Rep. Skarphol			Rep. Kroeber	✓	
Rep. Wald		✓	Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glasheim		✓
Rep. Thoreson			Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch					
Rep. Pollert	✓		Rep. Ekstrom		
Rep. Bellew		✓	Rep. Kerzman	✓	
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland		✓			

Total (Yes) 14 No 7

Absent 4

Floor Assignment Rep. Froehlich

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

Date: 3/24/09
 Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 2242

Full House Appropriations Committee

Check here for Conference Committee

Withdrawn

Legislative Council Amendment Number

TBD

Action Taken

see below

Motion Made By

Berg

Seconded By

Klein

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Change wording in bill
 to "up to \$135 per day"*

REPORT OF STANDING COMMITTEE (410)
March 24, 2009 3:19 p.m.

Module No: HR-53-5725
Carrier: Froelch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2242: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS
(14 YEAS, 7 NAYS, 4 ABSENT AND NOT VOTING). SB 2242 was placed on the
Fourteenth order on the calendar.

2009 TESTIMONY

SB 2242



Testimony for SB 2242

Good morning Chairman Dever & Committee Members . . .

I am here this morning on behalf of Soybean Growers across ND seeking your favorable consideration of SB 2242.

The provisions of SB 2242 provide an opportunity for ND Soybean Framers that volunteer, and are elected to the ND Soybean Council, to receive a measure of compensation to offset their actual costs, as well as providing a positive reinforcer for their service. The compensation is limited to the actual time at meetings and events. It does not include preparation time associated with many of the issues.

I have attended several of the Council's meetings within the last year. The average meeting is six to eight hours long and covers a wide variety of issues, many that require preparation by board members prior to the event. The one that stands out in my mind is the December Research Committee meeting held in Fargo to review the 2009 soybean related research proposals. Actual proposal presentations started at 7:00 AM and concluded with deliberations about 7:00 PM that evening. Members of the

committee arrived carrying the all too familiar 3” deep binder, prepared to ask solid questions of the presenters, considering over 30 detailed proposals with an estimated value in excess of \$ 700,000.

These Soybean Council members are like many of you on this committee, they serve their communities in a variety of ways. Being active members and leaders of more than one board or committee is the norm, not the exception. Provisions in the bill facilitate a “positive reinforcement” of these activities, hopefully encouraging, in some small way, these fine folks to continue their generous contributions of time and talent within our many communities and certainly within the Ag Community across ND.

We enthusiastically request a “Do Pass” recommendation on SB 2242 . . . and let us take this opportunity to Thank You for your service too.

I’d be happy to answer your questions or seek answers from those more knowledgeable about a particular subject than I . . . again, Thank You.

Contact Information:
Scott Rising
701-527-1073 (cell)
grwbeans@earthlink.net

Organizations Impacted by SB 2242

Same numbers given to House.

Organization	Number of Members	Max Comp Increase
State Fair Association	9	\$50.00
State Board of Agricultural Research & Education	17	\$60.00
State Seed Commission	10	\$60.00
State Seed Arbitration Board	6	\$72.50
Agricultural Products Utilization Commission - APUC	9	\$72.50
Milk Marketing Board	5	\$60.00
State Soil Conservation Committee	5	\$90.00
ND Credit Review Board & Mediation Service	6	\$60.00
State Board of Animal Health	9	\$85.00
State Board of Animal Health & Board of Appraisers	3	\$85.00
Potato Council	6	\$60.00
Oil Seed Council	11	\$60.00
Dry Bean Council	6	\$60.00
Barley Council	5	\$60.00
Soybean Council	8	\$60.00
Corn Council	7	\$60.00
Dry Pea & Lentil Council	5	\$60.00
Dairy Promotion Commission	9	\$60.00
Wheat Commission	7	\$60.00
Beef Commission	11	\$60.00

All are worded
"not to exceed"



Testimony for SB 2242

#1a
Scott Rising
3/6/09

Good morning Chairman Johnson & House Agriculture Committee Members. My name is Scott Rising. I am here this morning on behalf of Soybean Growers seeking your favorable consideration of SB 2242.

The provisions of SB 2242 provide an opportunity for Commodity Councils or Boards of Directors an option for per diem rates not to exceed \$135 a day. The bill does not mandate any specific level for Commodity Councils.

These provisions allow ND Soybean Framers that volunteer, and are elected, to the ND Soybean Council to receive a measure of compensation to offset their actual costs. The compensation periods are limited to the actual times at meetings and events. It does not include preparation time associated with many of the issues.

I have attended several of the Council's meetings within the last year. The average meeting is six to eight hours long and covers a wide variety of issues, many that require preparation prior to the event. The one that stands out in my mind is last December's Research Committee meeting held in Fargo to review 2009 soybean related research proposals. Actual presentations started at 7:00 AM. That morning the committee members

arrived carrying the all too familiar 4" deep binder, prepared to ask program & funding questions of the presenters, then considered over 30 detailed proposals with an estimated value in excess of \$900,000. Committee member deliberations concluded about 7:00 PM that evening after agreeing on well over \$700,000 of program funding.

These Soybean Council members are like many of you on this committee. They serve their communities in a variety of ways, being active members and leaders on more than one board or committee is the norm, not the exception. So once in a while, when these per diem checks arrive, this bill facilitates an opportunity for a little "positive reinforcement" for great service rendered benefiting, in our instance, all Soybean Growers across North Dakota. It is our hope, that this reinforcement, in some small way, thanks these fine folks and encourages them to continue their generous contributions of time and talent to our many communities and certainly the Ag Community across ND.

We enthusiastically request a "Do Pass" recommendation on SB 2242 . . . and let me take this opportunity to Thank You for your service too.

Thank You.

Contact Information:
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MEMBERS

AmeriFlax
BNSF Railway Company
Independent Beef Association of North Dakota
Milk Producers Association of North Dakota, Inc.
Minn-Dak Farmers Co-op
North Dakota Ag Aviation Association
North Dakota Ag Consultants
North Dakota Agricultural Association
North Dakota Agri-Women
North Dakota Association of Soil Conservation Districts
North Dakota Association of Agricultural Educators
North Dakota Barley Council
North Dakota Beef Commission
North Dakota Corn Growers Association
North Dakota Corn Utilization
North Dakota Crop Improvement and Seed Association
North Dakota Department of Agriculture
North Dakota Dry Bean Council
North Dakota Dry Edible Bean Seed Growers
North Dakota Elk Growers
North Dakota Farm Bureau
North Dakota Farm Credit Council
North Dakota Farmers Union
North Dakota Grain Dealers Association
North Dakota Grain Growers Association
North Dakota Lamb and Wool Producers
North Dakota Oilseed Council
North Dakota Pork Producers
North Dakota Soybean Council
North Dakota Soybean Growers Association
North Dakota State Seed Commission
North Dakota State University Agriculture and University Extension
North Dakota Wheat Commission
North Dakota Canola Growers Association
Northern Food Grade Soybean Association
Northern Plains Potato Growers Association
Northern Pulse Growers Association
Red River Valley Sugarbeet Growers

#2

Deana Wiese
2242

**Testimony of Deana Wiese
North Dakota Ag Coalition
In Support of SB 2242
March 6, 2009**

Chairman Johnson and members of the House Agriculture Committee:

For the record, I am Deana Wiese, administrator of the North Dakota Ag Coalition. On behalf of the Ag Coalition, I would encourage your support of SB 2242.

The Ag Coalition has provided a unified voice for North Dakota agricultural interests for over 25 years. Today, we represent 38 statewide organizations and associations that represent specific commodities or have a direct interest in agriculture. The Ag Coalition takes a position on a limited number of issues brought to us by our members that have significant impact on North Dakota's agriculture industry.

The Ag Coalition supports SB 2242 as it would provide check-off groups with the authority to reimburse board members at an amount that "may not exceed" \$135. The "may not exceed" language is important as there are groups that may not be able to increase compensation to this level.

This bill comes at a time when recruiting and retaining board members is increasingly difficult due to busy schedules, work that must continue when operators are away and the fact that many leaders are involved in numerous organizations. The cost associated with being away from the operation many times far outweighs the compensation received.

The future of North Dakota's ag industry relies on the time and dedication of these board members. Therefore, we urge your support of SB 2242

Wiese testimony in support of SB 2242.