

Biennial Report
1999-2001

NORTH DAKOTA

DEPARTMENT OF AGRICULTURE

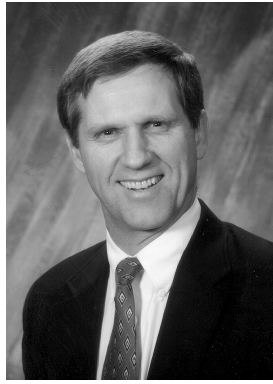
*Promoting a healthy economic,
environmental and social
climate for agriculture
and the rural community.*



Roger Johnson
Commissioner

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A Message from the Commissioner

My Fellow North Dakotans,

The turn of the century has proved a difficult time for American agriculture, and especially for North Dakota's family farmers and ranchers. Too much moisture in some areas of the state and drought in others significantly reduced yields and even prevented the planting of hundreds of thousands of acres. Plant diseases, insects and other plant pests caused millions of dollars in damage. Although livestock prices showed significant improvement, the prices for most commodities remained catastrophically low.

Despite these adversities, North Dakota producers continued to provide safe and abundant food and fiber for our state, our nation, and the world. Their perserverance in the face of natural calamities and difficult economic circumstances are testimony to their determination to preserve their way of life and their hope for a better future.

The men and women of the North Dakota Department of Agriculture are proud to have helped our producers meet these challenges.

NDDA provided real leadership in obtaining crop protection products farmers need to lessen or prevent pest damage to crops and livestock. Producers rely on the department's mediators and negotiators to provide them with low-cost agricultural mediation and financial counseling services. The marketing section finds new markets, helps develop new products, and aids new businesses. Our state veterinarians put in long hours to ensure the state remains free of major livestock diseases.

Agriculture remains the backbone of North Dakota's economy and society. The strong work ethic and sense of determination that characterizes North Dakotans are outgrowths of our agricultural heritage. As we move forward into the new century, I am confident that North Dakota agriculture will not only survive, but it will thrive in the years ahead.

Sincerely,

Roger Johnson
Agriculture Commissioner

Mission

The North Dakota Department of Agriculture fosters the long-term well-being of North Dakota by promoting a healthy economic, environmental and social climate for agriculture and the rural community through leadership, advocacy, education, regulation and other services. To carry out its mandate, the Department of Agriculture is committed to the following responsibilities:

- Serving as an advocate for family farmers and ranchers and for the rural community.
- Providing services that ensure safe, high-quality and marketable agricultural products.
- Developing and expanding markets for agricultural commodities and value-added products.
- Reducing the risk of financial loss to agricultural producers and to buyers and sellers of agricultural commodities.
- Safeguarding livestock and other domestic animals from communicable diseases.
- Ensuring compliance with laws administered by the Department of Agriculture through understandable regulations, information, education and even-handed enforcement.
- Ensuring human safety and a healthy environment through proper use of pesticides.
- Verifying the contents of pesticides, fertilizers, soil conditioners, animal feeds and veterinary medicines.
- Reducing agricultural losses from noxious weeds, predatory animals, insects and diseases.
- Gathering and disseminating information concerning agriculture to the general public.
- Providing fair and timely dispute resolution services to agricultural producers, creditors and others.

Agriculture Commissioner

Roger Johnson

Deputy Commissioner

Jeff Weispfenning

Assistant to the Commissioner

Joanne Beckman

Executive Services

Ken Junkert*

- **Administrative Secretary**
Bonnie Sundby
- **Accounting**
Lynette Baumiller
Jet Collins
- **Marketing Services**
Shannen Bornsen
Sara Wagner-Budeau
Bobbi Fortier Talmadge
- **Policy & Communications**
Patrice Eblen
Ted Quanrud
- **Data Coordinator**
Roberta Tjaden

Livestock Services

Wayne Carlson*

- **Administrative Secretary**
Tammy Celley
- **Administrative Assistant**
Becky Gietzen
- **Dairy/Poultry**
Bill Davis
Iris Stenerson
John Ringsrud
Orville Payne
Tracey Walth
Gary Molstad
Jason Wirtz
- **State Veterinarian**
Dr. Larry Schuler
Dr. Susan Keller
- **State Meat Inspection**
Dr. Andrea Grondahl
Jordan Woodbury
Cory Schornack
David Slack
- **Wildlife Services**
Phil Mastrangelo et. al.
(federal employees)

Plant Services

Jeff Olson*

- **Administrative Assistants**
Elaine Saylor
Cindy Wooldridge
- **Plant Protection**
David Nelson
Phillip Mason
- **Pesticide**
Gerry Thompson
Garry Wagner
Pat O'Neil
Jim Gray
Doug Johnston
Dave Harsche
Brad Meckle
Joel Owens
Dan Sletten
Julie Tronson
- **Noxious Weeds**
John Leppert
Ken Eraas
Dean Cline
- **Apiary/Safe Send/Waterbank**
Judy Carlson

Agricultural Mediation

Jeff Knudson*

- **Administrative Assistant**
Betty Nelson
- **Coordinator**
Tom Silbernagel
- **Negotiators**
Tony Wixo
Patsy Otto
Jim Bredwick
- Non-FTEs (13)

* Program Manager

6/30/01

HISTORY

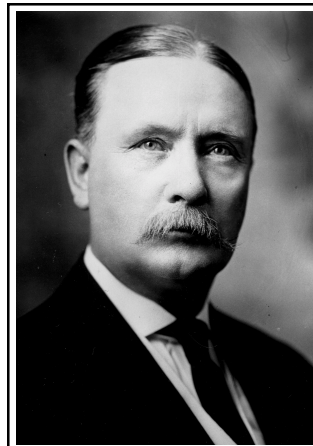
The North Dakota Constitution, enacted in 1889, established the office of Commissioner of Agriculture and Labor. In 1964, voters amended the constitution, dividing the office into two separate entities – Commissioner of Agriculture and Commissioner of Labor, and lengthening the term of office from two years to four.

Commissioners of Agriculture and Labor

Henry T. Helgesen	1889-1892
Nelson Williams	1893-1894
Andrew H. Laughlin	1895-1896
Henry U. Thomas	1897-1900
Rollin J. Turner	1901-1904
William C. Gilbreath	1905-1914
Robert F. Flint	1915-1916
John N. Hagan	1917-1921
Joseph A. Kitchen	1921-1932
John Husby	1933-1934
Theodore Martell	1935-1936
John N. Hagan	1937-1938
Math Dahl	1939-1964
Arne Dahl	1965-1966

Commissioners of Agriculture

Arne Dahl	1966-1974
Myron Just	1974-1980
H. Kent Jones	1981-1988
Sarah M. Vogel	1989-1997
Roger Johnson	1997-present



Henry T. Helgesen (1857-1917) was North Dakota's first commissioner of agriculture and labor, serving from 1889 to 1892. During his tenure, he refused to move to Bismarck, conducting the department's business from his downtown Grand Forks office. He later served as the state's east district congressman from 1911 until his death in 1917.

Duties and Responsibilities

Originally, the commissioner's principal duties were the collection and publication of agricultural and labor statistics and enforcement of regulations. The commissioner was also the commissioner of immigration. Over the span of a century, the responsibilities of the department expanded to include a leadership role in the formulation of policies affecting the state's agricultural industries, the advocacy of the needs and concerns of farmers and ranchers

on the state and national levels, the administration of fair and timely mediation services to farmers and ranchers, the promotion and marketing of North Dakota products and the dissemination of information concerning agricultural issues to the governor, Legislature and the general public. (The collection and publication of statistics is now the responsibility of the North Dakota Agricultural Statistics Service.)

The powers and duties of the Agriculture Commissioner of Agriculture “must be prescribed by law,” according to Article V, Section 2 of the State Constitution. The following responsibilities are set forth in various sections of the North Dakota Century Code:

- Promotion of improved marketing conditions for North Dakota products §4-01-19.
- Regulation of dairy and poultry industries §4-30 and §4-13.2.
- Licensing and bonding of livestock auction markets and individuals selling livestock §36-04 and §36-05.
- Control and eradication of bee diseases and licensing of beekeepers §4-12.2.
- Development, supervision and participation in and of programs to protect plant life from disease and insects §4-32-01 and §4-33.
- Administration of a mediation service to resolve differences between financially distressed farmers and their creditors §6-09.10.
- Inspection, certification and licensing of nurseries, nursery dealers and agents §4-21.1.
- Administration and enforcement of state and federal pesticide laws §4-35.
- Licensing and inspection of anhydrous ammonia bulk facilities §4-38.
- Administration of noxious weed laws §63-10.1.
- Monitoring compliance with established standards by organic producers §4-38.
- Promotion of honey and honey products §4-12.1.
- Administration of the Agriculture in the Classroom program §4-37.
- Cooperation with federal agencies in controlling animals that cause property damage §4-01-17.1.
- Administration of the State Waterbank program §61-31.
- Promotion of the turkey industry and turkey products. §4-13.1-01.
- Administration of the cultivated ginseng law. §4-39.
- Registration of crop protection products with Canadian labels §4-40.
- Licensing of industrial hemp growers §4-41-02.
- Administration of the state meat inspection program §36-24.

Boards and Commissions

By constitutional and statutory authority, the commissioner of agriculture is a member of the following boards and commissions:

- | | | |
|------------------------------------------------|------------------------------------------------------|--------------------------------------------------|
| • State Industrial Commission | • N.D. Potato Council | • Governor's Task Force on Blackbird Depredation |
| • State Water Commission | • N.D. Oilseed Council | • N.D. Disaster Emergency Board |
| • State Board of Equalization | • Soil Conservation Committee | • Interstate Compact on Pest Control |
| • Agricultural Products Utilization Commission | • State Emergency Board | • State Seed Mediation Board |
| • N.D. Dairy Promotion Commission | • Agricultural Conservation and Adjustment Committee | • Wetland Mediation Advisory Board |
| • N.D. Seed Commission | • N.D. Soybean Council | • USDA Food and Agriculture Council |
| • N.D. Pesticide Control Board | • Ag in the Classroom Council | • Honey Promotion Council |
| • N.D. Barley Council | • N.D.-Saskatchewan Boundary Advisory Committee | • Waterbank Advisory Board |
| • N.D. Edible Bean Council | • State Intermodal Transportation Team | |
| • Northern Crops Council | | |

ADMINISTRATION

The agriculture commissioner directs the administration of the North Dakota Department of Agriculture (NDDA). The present commissioner, Roger Johnson, was first elected in November 1996 and re-elected in 2000.

Commissioner

Roger Johnson

Deputy Commissioner

Jeff Weispfenning

Assistant**to the Commissioner**

Joanne Beckman

Pesticide issues

During the 1999-2001 biennium, Commissioner Johnson took action to end the disparity between prices paid by American and Canadian producers for pesticides and to make more pesticides available to North Dakota producers.

On May 31, 2000, he issued the first state registration of a Canadian pesticide, Achieve® 80 DG, enabling North Dakota farmers and dealers to purchase the herbicide in Canada at a significantly lower cost than the manufacturer charged for its American equivalent.

Although the U.S. Environmental Protection Agency later overruled the action, the EPA began efforts to overhaul its own regulations and policies that had inadvertently led to segmentation of the market. More importantly, the EPA lent its weight to legislation now pending in Congress that would ending the pricing disparity.

The EPA presented Commissioner Johnson with its Team Award for “exemplary teamwork in States/EPA teamwork in pesticides harmonization.”

In response to wet weather conditions that fostered widespread crop disease and weed infestations, Commissioner Johnson issued twelve Section 24(c) registrations, declared five Section 18 crisis exemptions and approved forty-three Section 18 exemptions during the biennium. The activity in this area was made possible by Johnson’s decision to hire a second pesticide registration specialist.

These actions provided North Dakota producers with a wider range of crop protection products, principally herbicides and fungicides. In the case of specialty crops, these actions in some cases provided growers with their only means of protecting their crop investment.

Federal farm legislation

An outspoken critic of the 1995 Farm Bill, known as “Freedom to Farm,” Commissioner Johnson worked with the state’s congressional delegation and with the National Association of State Departments of Agriculture (NASDA) both to secure disaster relief funds for North Dakota producers and to develop recommendations for Congress in creating a new farm bill.

NASDA leadership appointed Johnson to chair the organization’s Rural Development and Financial Security Committee, which crafted most of the

recommendations for a new farm bill. The committee developed a Farm Income Safety Net Proposal to establish a “safety net” protecting American farmers from catastrophic losses due to weather, disease, domestic and foreign policies, prices, and other factors beyond their control.

Key elements of NASDA’s proposal include:

- Counter-cyclical payments that would be triggered by downturns in the market.
- Cost of production insurance, including all crops, feedstuffs, milk and livestock.
- Stewardship payments, funded by block grants to the states, compensating producers for implementing practices designed to enhance or protect land, water, air and the environment.

Johnson said the counter-cyclical payment proposal is designed to provide price protection to producers during difficult times and is at the heart of the proposal. A portion of the safety net payment is proposed as a fixed payment so as to meet U.S. obligations to the World Trade Organization and various free trade treaties.

“Counter-cyclical payments provide producers with larger payments during times of low market prices and smaller payments during better times,” Johnson said. “The concept helps ensure farm income stability and farm survivability.”

Johnson said an effective and accountable crop insurance program is also essential to the safety net.

“We propose that this insurance would cover up to 90 percent of a producer’s documented cost of production,” he said. “And we propose to fund research and develop efforts to provide coverage for specialty crops and livestock, not just the traditional program commodities.”

Johnson said a new component of NASDA’s proposal is the New Stewardship Initiative, administered by the states with federal block grant funding.

“This initiative will recognize and compensate producers for taking action to protect land, water, air and wildlife,” Johnson said. “It also gives state and local governments more flexibility, tools and resources to implement conservation priorities.”

NASDA is also proposing dairy policies that would allow multi-state marketing agreements, extend dairy price supports at the current support price and establish counter-cyclical payments to provide price protection for Class III and IV milk producers.

Other proposals provide block grants to states for farm viability and food safety programs.

State meat inspection program

Commissioner Johnson oversaw the successful implementation of North Dakota’s new state meat inspection program, mandated by the 1999 Legislature. To ensure that consumer, processor, and producer interests were strongly represented during the implementation process, he appointed the following members to the program’s oversight committee:

- Keith DeHaan, Bismarck, owner of Livestock Planning Associates, and former chief operating officer of Beef America Specialty Food Division and vice president of Technical Operations of Beef America Operating Co.
- John Lee Njos, Rhame, a cow-calf producer, and past president of Northern Plains Premium Beef.
- Fred Eagleson, Buchanan, locker plant owner and vice president of the North Dakota Meat Processors Association.
- Deb Strand, Bismarck, a registered dietician and former state health department inspector.

For more information on the State Meat Inspection Program, see Page 11.

Northern Plains Producer Conference

Commissioner Johnson hosted the first Northern Producer Conference, Nov. 15-19, in Fargo. The event drew approximately 300 producers and officials from North Dakota, Manitoba, Minnesota, Saskatchewan and South Dakota.



U.S. and Canadian producers discussed areas of contention and found mutual agreement on many issues at the first Northern Plains Producers Conference.

The goals of the NPPC included:

- Establishing a regional producer network to develop solutions to issues and concerns;
- Identifying trade issues and opportunities;
- Developing a mutual understanding of the U.S. and Canadian agriculture industries, and
- Dispelling misconceptions about agricultural trade.

The second NPPC was scheduled for November 2001 in Winnipeg.

Marketplace of Ideas

Commissioner Johnson and U.S. Senator Kent Conrad are the organizing sponsors of the annual Marketplace of Ideas. Held the first week of January, Marketplace has been described as “a supermarket of ideas, resources and information” for rural development.

The objectives of Marketplace are:

- To communicate to North Dakota farmers and leaders the realization that agricultural diversification holds great promise for supplementing income, thereby stabilizing our economy and our way of life.
- To expose North Dakota farmers and rural residents to a wide array of income producing ideas and markets in an effort to help them see new possibilities in production, processing and merchandising.
- To stimulate, encourage, and assist North Dakotans of all ages and walks of life to envision and investigate ideas for supplementing income and creating new enterprises.
- To provide a network of information, assistance providers, and people who are already engaged in alternate activities in an effort to accelerate acceptance of innovative opportunities and to support those who have begun new enterprises.
- To communicate the implications of these alternatives to community development leaders, lenders, educators, policy makers, and others whose support is helpful and necessary.

The components of Marketplace include:

Marketplace Day is 10 hours devoted to economic development. Thousands of North Dakotans come together



Marketplace features more than 100 “idea booths” at which entrepreneurs, inventors and business people explain their ideas and share their knowledge.

to attend one or more of the more than 100 workshops and visit more than 200 booths, all made possible by more than 1,000 private and public groups, organizations, and volunteers. Marketplace has been traditionally held in the Bismarck Civic Center, however, Marketplace 2002 will be held in the new Alerus Center in Grand Forks.

The Marketplace Resource Directory, provided free to every Marketplace participant, is a comprehensive compilation of economic development ideas, programs and assistance providers.

Co-op Night, held the evening before Marketplace, provides encouragement, services, and assistance to emerging cooperatives and associations.

Marketplace for Kids was developed in 1996 in recognition that youth and their teachers can play a crucial role in the long term economic wellbeing of the state.

Marketplace for Kids provides a forum for young innovators and youth leaders to showcase their economic development projects, inventions, and ideas.

Marketplace for Kids was originally held only in Jamestown and Fargo. In 2001, the event was held in six cities –Bismarck, Dickinson, Fargo, Jamestown, Minot, and Williston.

More information on Marketplace and Marketplace for Kids can be found at www.marketplaceofideas.com.

EXECUTIVE SERVICES

Executive Services provides essential services, such as accounting, computer maintenance, policy development and public information for other program areas within the North Dakota Department of Agriculture (NDDA). The program area also includes Marketing Services and the reception area.

Accounting

Accounting keeps NDDA's financial books and records, tracking all income and expenditures. The accountant also assists the commissioner in developing the agency's budget.

Agriculture in the Classroom

As North Dakota's population moves away from farms, ranches and smaller communities and into the larger urban areas, fewer people have direct contact with the state's agricultural sector. Seeing a need to foster a greater understanding of agriculture, the 1985 Legislature established the Agriculture in the Classroom program (NDCC 4-37-01) to develop educational materials and assist in the training of teachers in an agriculture curriculum. A 16-member council, appointed by the agriculture commissioner, oversees the program.

North Dakota K-12 teachers can integrate agricultural information into their classes with "Food, Land & People" (FLP), a nationally developed and field tested program that encourages the inclusion of state-specific information. FLP features 55 lessons covering such topics as seeds, raw to processed foods, pollination, soil erosion, cattle byproducts, fabric production and nutrition. Teacher training sessions were held in Bismarck, Carrington, Devils Lake, Minot, Valley City, Fargo and Mayville.

The AGcitement Learning Lab traveled to events in Dickinson, Fargo, Minot and Jamestown. More than 4,000 young people and adults have visited AGcitement.

Program Manager

Ken Junkert

Accounting

Lynette Baumiller

Jet Collins

Marketing Services

Shannen Bornsen - Coordinator

Sara Wagner-Budeau

Bobbi Talmadge

Policy & Communications

Patrice Eblen - Coordinator

Ted Quanrud

Data Coordinator

Roberta Tjaden

Administrative Secretary

Bonnie Sundby



Filled with agricultural exhibits, the AGcitement mobile teaching and learning facility has proved popular with young people and adults alike.

North Dakota Agriculture in the Classroom Council 1999-2001

Dean Aakre, State 4-H youth activity coordinator
Bonny Berryman - teacher, Minot
Adam Boschee - school superintendent, Kindred
Eric Clausen, North Dakota Geographic Alliance
Tom Decker, Department of Public Instruction
Virginia Deitz, teacher, Fargo
Jeff Hagel, teacher, Granville
LeAnn Harner, Ag Coalition
Rojer Johnson, Agriculture Commissioner
Becky Koch, North Dakota State University
Margie Martin, North Dakota Wheat Commission
Renee Marzahn, North Dakota Farmers Union
Sarah Nordby, producer
Anne Osborne, North Dakota Corn Growers Association
Arlene Peterson, North Dakota Farm Bureau
Doug Vannurden, North Dakota Agriculture Education
Jill Vigesaa, Food, Land & People National Steering Committee
Mark Wagner, technology coordinator, Beulah Public Schools.

The council published three editions of NORTH DAKOTA AGMAG. Each edition was devoted to a different commodity – wheat, oilseeds and dairy.

Several other projects are now underway to increase agriculture education into all classrooms in North Dakota. NDDA also maintains a lending library of educational materials for students, teachers and schools.

Data Coordinator

The Data Coordinator is responsible for installing and maintaining NDDA's computer hardware and software. Additionally, the coordinator maintains department's computer network, updates the department website – www.agdepartment.com – and provides on-site technical assistance to department personnel.

Marketing Services

Marketing Services promotes the sales of North Dakota agricultural commodities and value-added products in international, national, regional and local markets.

On the international front, NDDA sends representatives into foreign markets, providing information about North Dakota products and helping North Dakota companies establish contact with buyers. During the biennium, Marketing Services led delegations of North Dakota companies to several major trade shows, such as ANUGA in Cologne, Germany, and the U.S. Food Export Showcase in Chicago.

International promotions initiated by Marketing Services resulted in more than \$20 million in sales.

On the domestic front, Marketing Services has led groups of North Dakota companies to such highly recognized trade

shows as the Minneapolis Gift Mart. Participation in these shows resulted in increased sales and new distributorships for North Dakota firms.

The Pride of Dakota (POD) program is the centerpiece of the Marketing Division's domestic activities. Authorized by the State Legislature and started in 1985, POD now has more than 310 member companies who participate in joint marketing efforts and promotions, as well as educational seminars and other events.

The Holiday Showcases, held in Bismarck, Minot and Fargo, and the annual Pride of Dakota Day, held in cooperation with KMOT-TV, at the North Dakota State Fair in Minot, enable POD member companies to showcase and sell their products in larger North Dakota markets. More than 14,100 people attended the 1999 Holiday Showcases and more than 13,200 attended the 2000 events. Participating companies reported more than \$3511,376 in sales from these events in the biennium.

NDDA also conducted a Wholesale Gift Show for POD members, providing them with venues in Mandan and Fargo to meet and sell directly to gift shop owners and other retailers.

NDDA sponsored and partially funded the Gifts Dakota Style catalog made up entirely of North Dakota



The Farmer Olympics, which included games and contests, such as a wheelbarrow race, drew additional customers to Pride of Dakota Day at the 2000 North Dakota State Fair.

products. The full-color catalog was distributed nationwide and was targeted to former North Dakotans.

Marketing Services also created an internet mall – www.shopnd.com – enabling POD companies to advertise and sell directly on the Internet.

Total domestic sales of \$2,383,847 resulted from Marketing Services activities. Total sales from all division

activities was more than \$6,051,432.

Marketing Services administers two commodity programs, the Honey Fund and the Turkey Promotion Fund. The North Dakota Honey Promotion Act, approved by the 1979 Legislature (NDCC § 4-12.1), assesses five cents on each licensed colony of honey bees with a minimum assessment of \$1.00 per beekeeper. All proceeds are deposited in the Honey Fund which is administered by the Marketing Division with the advice of the North Dakota Beekeepers Association. Any beekeeper who does not wish to participate in the Honey Promotion Act may request a refund of the assessment.

During the 1999-2001 biennium, the Honey Fund was used for special promotions and research to benefit the honey industry.

Created by the 1973 Legislature and funded by a producer

Honey Fund

Revenue

Honey Promotion Fees	\$26,697.88
Miscellaneous sales	\$318.32
Interest	<u>\$795.74</u>
	\$27,812.14

Expenditures

Operating expenses	\$28,254.70
Refunds	<u>\$26.82</u>
	\$30,936.70

checkoff, the Turkey Promotion Fund aids in the promotion, marketing and research of turkey products (NDCC §4-13.1). Processors deduct money from payments to producers and turn the funds over to NDDA for deposit in the promotion fund, which is administered with the advice of the North Dakota Turkey Federation.

During the 1999-2001 biennium, money from the fund was used to purchase radio and television promotional spots, to supply turkeys to local food banks and to sponsor 4-H activities.

Turkey Promotion Fund

Revenue

Turkey Checkoff	\$73,187.87
Interest	<u>\$2,826.60</u>
	\$76,014.47

Expenditures

Operating expenses	\$92,591.11
Refunds	0.00

Policy & Communications

Policy & Communications assists the agriculture commissioner by providing research and analyses of issues facing agriculture and the rural community and by serving as a liaison to agricultural organizations, councils and other government entities.

During the 1999-2001 biennium, the division researched a wide variety of subjects, including federal farm policy, trade issues, disaster assistance, livestock concentration, crop insurance, value-added agriculture and energy development.

Policy and Communications publishes all department publications, including press releases, informational pamphlets and brochures, newsletters, state laws pertaining to agriculture and the biennial report. Policy & Communications regularly disseminates information to the public through press releases and *The Advocate*. Publications are made available

both in hard copy and on the North Dakota Department of Agriculture website, WWW.AGDEPARTMENT.COM.



Published in cooperation with the North Dakota Farm Bureau, the North Dakota Farmers Union and the North Dakota Agricultural Statistics Service, this booklet, containing useful facts and statistics about North Dakota agriculture, has proven one of NDDA's most popular publications.

LIVESTOCK SERVICES

Livestock Services includes duties and functions related to dairy production, animal health, livestock sales and animal damage control. Domestic and nontraditional livestock in North Dakota is now estimated at 1.88 million cattle, 185,000 hogs, 135,000 sheep, 245,000 poultry, 100,000 bison, 30,000 horses, 5,000 elk and a growing population of deer, ratites and other nontraditional livestock.

Dairy/Poultry

North Dakota dairy farmers marketed approximately 701 million pounds of milk in 2000, up 12.5 million pounds from 1999 levels. The average number of cows in the state was 50,000 head, down 12,000. The average North Dakota dairy farm has 49 milking cows, each producing an average of 14,306 pounds of milk annually.

Safeguarding this milk supply is the mission of the Dairy Division of the North Dakota Department of Agriculture (NDCC 4-30). Each year the dairy inspection staff conducts thousands of on-site inspections at dairy farms, manufacturing and processing plants, and transportation and storage facilities to ensure that North Dakota-produced milk meets stringent federal and state standards.

Traditionally, the major concern of the dairy division is that the production and processing of dairy products in North Dakota are free of any disease organisms or contaminants. Although the state has been certified free of milk-borne diseases for many years, the division continues to collect milk samples for analysis to make sure that milk remains free of any disease organisms. In recent years public attention and that of the dairy division has been focused on chemical and pharmaceutical residues from antibiotics and pesticides in the milk supply. Protecting the milk supply from these contaminants is taking up an increasing amount of the division's time and resources. The effort to protect the public from drug residues caused the disposal of 914,000 pounds of raw milk during 1999-2000 biennium. An additional amount was voluntarily dumped during the year by producers who realized their error before milk was shipped.



NDDA Dairy Inspector Orville Paine checks the calibration equipment at a Morton County dairy farm during a routine inspection.

Program Manager

Wayne Carlson

Animal Health

Larry Schuler, DVM - State Veterinarian

Susan Keller, DVM

Tammy Celley

Becky Gietzen

Dairy/Poultry

Bill Davis - Director

Iris Stenerson

John Ringsrud

Kevin Misk

Orville Paine

Tracey Walth

Jason Wirtz

State Meat Inspection

Andrea Grondahl, DVM

Jordan Woodbury

Corey Schornack

David Slack

Wildlife Services

Phil Mastrangelo - Director

With North Dakota processing plants short of milk due to the continuing decline of producer numbers, this continued increase in the amount of milk destroyed due to producer error is an even more serious problem.

Dairy inspectors visited the state's 574 dairy farms an average of 2.5 times a year during the biennium. At each farm, the inspectors check to see that equipment is clean, that drugs are properly used and stored and that the water supply meets approved standards. Inspectors also conducted approximately 130 inspections of distribution facilities and more than 200 inspections of farm bulk trucks and samplers during the biennium.

During their visits, inspectors and producers discuss any problems found during the inspection. These visits are an important opportunity for producers to voice their concerns about the state dairy program and to learn about dairy sanitation regulations.

North Dakota has eight dairy processing plants and three milk transfer stations which are inspected at least four times annually. Inspectors collect samples of raw milk and finished product monthly at Grade A facilities and quarterly at Manufacturing Grade facilities. Samples are checked for bacteria, somatic cells, coliforms and drug residues by the State Laboratory and private laboratories.

The Dairy Division conducts Manufacturing Grade dairy plant inspections under contract with USDA. The division also conducts the Interstate Milk Shippers surveys of 27 listed (certified) producer groups, six plants, and three transfer/receiving stations. IMS certification allows raw milk and finished products to be shipped out of state.

The division licenses processors, distributors, testers, and bulk haulers of milk and dairy products in North Dakota. All purchasers of milk from producers must be bonded and licensed.

The Dairy Division is involved in dairy retention, development and planning efforts in North Dakota and nationally. The dairy director is a member of the Tri-State Dairy Initiative, which also includes representatives from Minnesota and South Dakota.

The Dairy Division also serves as Poultry Division, conducting poultry inspection and regulation in North Dakota (NDCC 4-13.2). The division monitors the movement of chicks, hatchling eggs, breeder flocks and hatcheries for compliance with the National Poultry Improvement Plan, which is designed to reduce or eliminate major poultry-related diseases.

The 1993 Legislature approved a bill authorizing the division to inspect small flock egg production operations, thereby allowing those producers to market eggs directly

to institutions like schools and nursing homes. There are currently nine such producers in the state. Poultry licensing, bonding requirements and inspection paperwork are handled by the dairy inspection services coordinator.

Livestock

Cattle production has traditionally ranked second only to wheat farming as the most important sector in North Dakota's economy. Swine and sheep production is also important, and the raising of buffalo and other "exotic" animals is increasingly significant. The Livestock Division helps protect our livestock producers through licensing of livestock dealers and livestock auction markets. (NDCC §36-04, 36-05.)

Dealers or auction markets are granted a license only after they post adequate bond, file a current financial statement and pass basic tests of financial responsibility. Field visits are conducted on a random basis to discover unlicensed dealers.

Livestock dealer licenses cost \$50 annually and are valid from July 1 to June 30; livestock auction market licenses cost \$200 annually and are valid from April 1 to March 31. Current lists of livestock dealers and auction markets are available on request from the division.

Wool dealer licenses are \$10 and are valid from July 1 through June 30.

A list of dealers, agents and auction markets can be found on the NDCA website – www.agdepartment.com/Programs/Dealers.html

State Board of Animal Health

The State Board of Animal Health (BOAH) is responsible for protecting the health of all animals in the state, establishing rules and enforcing the laws and regulations pertaining to animal agriculture. The board also establishes operating policies for the State Veterinarian's office.

The seven-member board, appointed by the governor, consists of representatives from the cattle, sheep, swine and dairy industries and two veterinarians.

The state veterinarian diagnoses, prevents, and controls

State Board of Animal Health 1999-2001

Nathan Boehm, Mandan, dairy cattle
Jeff Dahl, Gackle, registered purebred cattle
Jody Hauge, Leith, swine
Francis "Buck" Maher, Menoken, commercial beef cattle
Paula Swenson, Walcott, sheep
Dr. William Tidball, Beach, veterinarian
Dr. Steve Yost, Dickinson, veterinarian



Deputy State Veterinarian Dr. Susan Keller and Hebron veterinarian Dr. George Amsden conduct a tuberculosis test on a bull elk in Mercer County.

animal diseases, monitors new threats, responds to emergencies and provides information to the public. This is done through close communication with producers, producer groups, veterinarians, veterinary diagnostic laboratories, other state veterinarians, the North Dakota State University Extension Service and state and federal agencies.

Under NDCC 36-01-12, 36-14, and 36-15, the Board of Animal Health regulates and supervises national animal disease eradication programs in the state. North Dakota is now considered brucellosis-free, tuberculosis-free and pseudorabies-free, as a result of many years of work by the board and the industries involved. This disease-free status allows the exportation of animals with a minimum amount of testing and health certification. It is necessary to review laboratory reports, field reports, test charts and certificates of veterinary inspection to maintain North Dakota's status in these programs. While the board must meet the requirements of the state in these state/federal disease eradication programs, it must also protect the livestock industry's interest in these programs.

The board ensures that all animals are treated humanely (NDCC 36-21). During the 1999-2001 biennium, 50 reports were investigated either directly or indirectly with the cooperation of county sheriffs and practicing veterinarians. The board provided the expertise necessary when these cases were prosecuted.

The board supervises and enforces licensing and rules relative to nontraditional livestock, such as elk, deer or ratites. Currently, 283 nontraditional livestock premises are licensed.

The board is also responsible for ensuring that sanitation and inspection standards are met at the livestock auction markets in North Dakota. There have been 13 livestock auction markets operating within the state during the biennium. Maintenance and sanitation within the auction market facility is imperative for the health and welfare of the animals. Regular inspections are critical in attempting to fulfill the mandate of this section and to provide a safe environment for livestock. The inspections have been accomplished through cooperation with USDA/APHIS/Veterinary Services personnel and the NDDA Livestock Division. Inspection for disease prior to sale is the function of the auction market veterinarian, who acts as an agent of the board. The inspections are required to prevent spread of disease from farm to farm and to ensure the certificates of veterinary inspection are accurate.

The board licenses rendering plants in North Dakota under NDCC 36-07.

Any person or company selling products containing modified live germs, cultures or viruses for treatment or vaccination of domestic animals must have a permit from the board. The permit requires four hours of continuing education per year and proper storage of products. It also restricts the sale of some dangerous products.

The state veterinarian cooperates with the North Dakota Department of Health on zoonotic diseases and with the North Dakota Game and Fish Department on wildlife diseases and nontraditional livestock issues. The office maintains a close relationship with the federal area-veterinarian in-charge in North Dakota.

Meat Inspection

Prior to the enactment of the State Meat Inspection Program by the 1999 Legislature, all meat processors in the state were regulated by the Food Safety and Inspection Service (FSIS), a division of the U.S. Department of Agriculture. The Federal Meat Inspection Act (FMIA) allows states to develop and administer state meat inspection programs. These programs must have laws, regula-

tions and procedures that are “at least equal to” the FMIA. Once FSIS approves a state program, it will receive up to 50 percent federal funding of the total cost of the program. North Dakota gained approval from FSIS on Oct. 19, 2000, becoming the 26th state to have a program.

Through product and site inspections, registration, product labeling and laboratory testing and in cooperation with other state and federal agencies, the state meat inspection program ensures that meat and meat products slaughtered, processed and/or stored in North Dakota meet state and federal requirements.

The staff consists of a director/veterinarian, a senior inspector/compliance officer, and three field inspectors located in Fargo, Dickinson and Devils Lake.

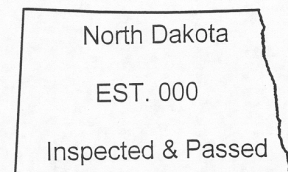
Because state programs focus on regulating small and medium-sized businesses, they are generally more accessible and more flexible than their federal counterparts, that now work almost exclusively with large processors. State programs also provide processors with practical information and technical assistance. North Dakota’s program makes it easier for the state’s meat producers to sell their homegrown beef, pork and/or other livestock products directly to consumers in state.



Larry Coon, owner of Edgeley Meat Processing, shows his new packaging facility to Inspector David Slack and Dr. Andrea Grondahl, director of the State Meat Inspection Program.

The new program certifies smaller meat processors to handle meat for sale in state. This creates many new opportunities for small processors that previously, as custom exempt plants, were only able to sell their products at one in-store retail counter. They now have easier access to gaining the certification that allows them to expand their market base through wholesaling. By taking their livestock to smaller processors, producers receive more personal service and retain ownership of the meat.

The State Meat Inspection Program currently regulates 101 processing plants located throughout North Dakota. Four of these plants are “State Inspected” or Official State Establishments at which livestock is slaughtered and/or processed under regulated inspection. An inspector must perform both an antemortem and postmortem examination on each animal and perform various tasks during processing activities. An inspector will perform duties at the establishment anywhere from one hour one day a week to 8 hours five days a week, depending on the amount of



The official State Meat Inspection Program stamp.

work the plant does.

The final products from official establishments carries the state inspection mark with the establishment number. These products may be sold retail or wholesale, but only within North Dakota. An exception is certain non-traditional products, such as elk, that may be sold out of the state if they meet special criteria.

The other meat processing plants (98) inspected by the division are custom exempt establishments which offer slaughter and/or processing services to the public for a fee. The animal to be slaughtered or the meat to be processed belongs to the customer, not the establishment. All of the products derived from the custom operations must be returned to the owner of the animal. Custom exempt plants may also carry retail exempt products for sale to the public. The owner/operator of the plant buys “boxed meat” from an inspected plant and further processes it for retail sale. Since the additional processing is not done under regulated inspection, the products may only be sold at the retail counter within the plant. The meat inspection division inspects these plants two to four times annually for sanitation and facility requirements.

Wildlife Services

The Wildlife Services (WS) program is a cooperative effort of state and federal governments established by the U.S. Department of Agriculture, Animal and Plant Health Inspection Service (USDA-APHIS) through cooperative agreements with the North Dakota Agriculture Commissioner, the North Dakota Game and Fish Department, the North Dakota State Health Department, and the North Dakota State University Cooperative Extension Service (NDCC§4-01-17. 1).



Coyote depredation of lambs and calves costs North Dakota producers hundreds of thousands of dollars annually.

Complaints of wildlife damage to crops and other property increased during the 1999-2001 biennium. Most complaints involved blackbirds damaging sunflowers, predation of livestock, waterfowl damage to grain crops, beaver damage to public and private property, and wildlife hazards to human health and safety.

Although an outbreak of sarcoptic mange reduced populations of coyote and red fox, WS conducted 1,581 predator control projects and documented \$271,000 in losses, primarily of sheep, calves and poultry, to predators.

Blackbirds caused approximately \$5 million of damage

to North Dakota sunflower and small grain crops annually. Nearly 7,600 acres of cattail wetlands were identified as blackbird roosting areas and were aerially treated with glyphosate (Rodeo®). Technical assistance was provided to all farmers who asked for information on methods and equipment to help them manage blackbird damage.

Expansion of waterfowl habitat in the prairie pothole region resulted in increased waterfowl populations and a consequent increase in waterfowl damage to small grain crops. WS assisted 260 farmers by loaning them devices such as propane cannons and plastic flags to scare waterfowl flocks away from unharvested fields. The abundance of water also created more beaver habitat with a corresponding increase in beaver damage reports. WS documented \$1 million in damages to trees, roadways, and crops. Certified explosive specialists used binary explosives to remove 198 beaver dams.

Wildlife threats to human health and safety, primarily from skunks and raccoons, and damage to personal property, increased during the biennium. More than 300 homeowners received assistance with wildlife problems.

WS continued to conduct an extensive educational program to assist farmers and homeowners with their specific wildlife conflicts. WS personnel conducted more than 2,100 personal consultations and 90 instructional sessions and distributed informational leaflets. More than 800 pieces of equipment, such as live traps and propane cannons, were loaned free of charge.

WS worked with civilian and military authorities to evaluate and assist with a variety of wildlife hazards on airport facilities.

PLANT INDUSTRIES

Plant Industries is responsible for North Dakota Department of Agriculture functions and duties related to crop production. These include pesticide enforcement and compliance, pesticide and fertilizer registration, plant protection and noxious weed control. The program area also includes animal feed and veterinary medicine registration, Project Safe Send, apiary regulation and the State Waterbank Program.

Pesticide

Pesticides protect the health and well-being of people, crops and domestic animals from insects, rodents, weeds, fungi and other pests. Yet pesticides themselves, if used improperly, can pose a danger to human beings and the environment. To regulate the distribution, storage, transportation, disposal and application of pesticides, the 1975 Legislature created the North Dakota Pesticide Control Board, chaired by the agriculture commissioner, to administer state pesticide laws.

To ensure compliance with pesticide laws and rules, the pesticide division conducts random inspections of pesticide dealers and commercial and private applicators.

The division conducted 1,541 inspections during the 1999-2001 biennium. As a result of these inspections, 210 warnings were issued, and 176 cases resulted in civil penalties. Most inspections, however, showed that North Dakota applicators and dealers comply with the law.

The division conducted 37 Project Safe Send collections, enabling farmers, ranchers and others to dispose of banned, hazardous and unusable pesticides. More than 162 tons of unusable pesticides were collected from 653 participants.

The division continued to promote and assist a companion program with chemical wholesalers to collect empty and properly rinsed plastic pesticide containers. More than 183,826 containers were collected during the biennium, more than double the total of the previous two-year period.

In response to U.S. Environmental Protection Agency mandates, the NDDA is continuing to develop programs to deal with protection of farm workers, ground water and endangered species.

Program Manager

Jeff Olson

Plant Protection

Dave Nelson, State Entomologist
Philip Mason

Pesticide

Jerry Thompson - Coordinator
Dave Harsche
Pat O'Neil
Dan Sletten
Julie Tronson
Doug Johnston
Joel Owen
Brad Meckle

Noxious Weeds

Dean Cline
Ken Eraas
John Leppert

Pesticide Registration

Jim Gray - Coordinator

Feeds/Fertilizer/Anhydrous

Garry Wagner - Coordinator

Apiary/Project Safe Send

Judy Carlson - Coordinator

Administrative Assistants

Elaine Saylor
Cindy Wooldridge



Pesticide Inspector Brad Meckle checks out all safety equipment during a routine dealer inspection.

North Dakota was the first state to establish an endangered species pesticide management program. NDDA worked with the U.S. Fish and Wildlife Service to digitalize the Endangered Species map. The endangered species bulletins are available on NDDA's website.

In response to growing concern about the effects of pesticides on human health, the Division developed the North Dakota Worker Protection Program that provides necessary information for protection of farm workers from exposure to harmful pesticides. Division personnel conducted education programs across the state to help agricultural employers comply with the worker protection standard. Routine inspections have been completed to monitor compliance with and impediments to the worker protection standard.

NDDA has also developed the state's Groundwater Protection Strategy for Pesticides for the management of those pesticides with the potential for leaching into and contaminating the ground water supply. This plan, the first in EPA Region 8, was approved by EPA in 1998.

To improve the accuracy of determining ground water susceptibility to pesticide contamination, Plant Industries is coordinating the digitalization of the state's soil maps. The North Dakota Geological Survey, the State Water Commission and the U.S. Natural Resources Conservation Service are also participating in the project.

During the biennium, the division applied for approximately 48 emergency exemptions from EPA to allow applicators to use specific pesticides on crops not specified on the labels.

The Pesticide Division is also responsible for enforcing state standards for anhydrous ammonia facilities (NDCC 19-20.2).

EPA supplies 85 percent of the funding for the pesticide responsibilities with the remainder coming from legislative appropriation.

Feeds/ Fertilizer/Veterinary and Livestock Medicine Registration

Registration enforces state laws relating to commercial feeds (NDCC 19-13.1), livestock medicines (NDCC 19-14), fertilizers and soil conditioners (NDCC 19-20.1), and anhydrous ammonia facilities (NDCC 19-20.2).

Approximately 4,333 commercial feeds and 3,349 pet foods are registered in the state. During the 1999-2001 biennium, 1,128 feeds and pet food samples were collected and tested. Between 5 and 10 percent of the samples showed discrepancies between labeling and actual content. Letters were sent to the manufacturers of these prod-

REVENUE

Pet Food Registration	\$172,350
Commercial Feed Mfg Licenses	\$28,500
Commercial Feed Retail Licenses	\$14,700
Fertilizer Registrations	\$85,700
Fertilizer Tonnage	\$207,689
Anhydrous ammonia tonnage	\$46,554
Fertilizer Distributor Licenses	\$50,800
Livestock Medicine Registration	\$26,040
Anhydrous Ammonia Licenses	\$1,125
Federal Contracts	\$41,650

ucts, requesting corrections. In a few instances, stop sale orders were issued. During the same period, 285 feed manufacturers and 304 feed retailers were licensed. As of the end of the biennium, 1,301 livestock medicines were registered in the state.

A total of 1,707 fertilizer products, ranging from home and garden fertilizers to commercial agricultural fertilizers and soil conditioners were registered in the biennium. During that time, Registration collected 1,286 fertilizer samples for testing. Approximately 12 percent of the samples revealed discrepancies between manufacturer claims and actual content. Letters were sent to manufacturers of the products, and in a few cases, stop sale orders were issued. There were 508 fertilizer distributors licensed in the state.

As of the end of the biennium, 378 anhydrous ammonia facilities were licensed in the state.

The U.S. Food and Drug Administration contracted NDDA to conduct medicated feed plant inspections, tissue residue inspections, and Bovine Spongiform Encephalopathy inspections.

Plant Protection

Safeguarding agronomic field crops, horticultural crops and grasses used for livestock production from plant pests is the responsibility of the Plant Protection Division (NDCC 4-33). The division also facilitates the export of North Dakota plants and plant products by providing export certification services.

All nursery growers and dealers must be licensed, and all nursery stock that is sold must be from inspected sources and certified to be practically free from damaging pests. The division conducts annual inspections of nursery growers for insects and diseases, allowing for both in-state and out-of-state sale. Certification was withheld for nursery stock infested with ash borers, bronze birch borers, cankers, blacknot and needlecast. Nursery stock at dealer locations is inspected to detect and prevent pest introductions and to enforce viability and hardiness require-

ments. The division works with the industry to prevent the introduction of stem rust-susceptible barberry and ensure compliance with state and federal black stem rust quarantines. Nursery inspections allow North Dakota to maintain its 'protected' status under the Federal Black Stem Rust Quarantine.

	<u>1999</u>	<u>2000</u>
Growers licensed	45	39
Dealers licensed	138	119

The plant protection division cooperates with USDA-APHIS under the Cooperative Agricultural Pest Survey Program. This program includes exotic pest surveys, pest



State Entomologist Dave Nelson checks the contents of a special trap to determine if the Japanese beetle is among any of the specimens.

surveys to generate data to enhance the exports of North Dakota agricultural products and pest surveys on other pests of mutual interest to the state and federal government. The division works closely with USDA-APHIS and the North Dakota Forest Service on detection surveys for the gypsy moth and the pine shoot beetle. Surveys were also conducted to support the export of North Dakota products by demonstrating freedom from various pests, including the soybean cyst nematode, the Golden nematode and wheat diseases.

NDDA conducted a Karnal bunt survey of the 1999 and 2000 wheat crops to demonstrate North Dakota's Karnal bunt status in order to allow continued exports.

The division provides export certification services to ex-

porters to satisfy the plant pest regulations of other states and foreign countries. A memorandum of understanding with USDA-APHIS allows issuance of federal phytosanitary certificates. During the biennium, the number of federal and state phytosanitary certificates issued for agricultural products increased 3 percent to 2,948 including 26 certificates for nursery and forestry products.

In addition, 1,593 in-transit origin certificates were issued for wheat and barley grain moving through Canada to destinations in the United States. Prior to 1999, these shipments required phytosanitary certificates.

Following the detection of cereal leaf beetle in Williams and McKenzie counties in 2000, 645 origin certificates were issued for wheat and barley rail shipments to California to meet California cereal leaf beetle quarantine requirements. In addition, 18 fumigation certificates were issued for grain originating in the infested counties.

The division maintains compliance agreements with 71 elevators to certify corn shipments for compliance with California European corn borer quarantine. Approximately 369 certificates covering 6,559 railcars were issued during the biennium.

Phytosanitary field inspections were conducted on seed fields of sunflower (238 acres), corn (4.4 acres) and barley (10 acres).

The division evaluated federal permit applications (PPQ 526) to move plant pests into the State and reviewed Federal permit and notification applications to introduce genetically modified plants into the state that are regulated under 7 CFR 340.

No Cooperative Rangeland Grasshopper Control Programs were conducted during the biennium.

Noxious Weeds

North Dakota's Noxious Weed Law (NDCC § 63-01.1) requires individuals to eradicate or control the spread of noxious weeds on land they own or control. The Noxious Weeds Division of the North Dakota Department of Agriculture coordinates the efforts of county weed boards

North Dakota's Noxious Weeds

- Absinth wormwood
- Canada thistle
- Diffuse knapweed
- Field bindweed
- Leafy spurge
- Musk thistle
- Purple loosestrife
- Russian knapweed
- Spotted knapweed
- Yellow starthistle

and state and federal land managers in implementing integrated weed management programs.

Counties are required to establish noxious weed control boards. Six cities — Fargo, Grand Forks, Devils Lake, Dickinson, Bismarck and Mandan — have also formed weed boards. Guidelines, developed by the North Dakota Weed Control Association and NDDA, provide a framework for local weed management programs.

County weed boards offer cost-share funding to landowners. The state augments county funding through the Landowner Assistance Program (LAP) for control of the state-listed noxious weeds. During the 1999-2001 biennium, \$858,500 was distributed to 39 participating counties, an amount equal to 25 percent of their expenditures. The counties spent \$3.4 million on chemical control and \$189,000 on biological control.

NDDA allocated cost-share funds to 21 county weed boards for control or eradication of 12 new invasive weed species. The state reimbursed 75 percent of the total cost of \$57,000.

Canada thistle acreage has increased almost 600 percent since 1993. The weed now infests 1.7 million acres. In 1999, NDDA offered counties a pilot cost-share program to control Canada thistle. Forty counties spent \$433,000 with the state reimbursing \$159,000 (37percent).

In 2000, NDDA upgraded its weed-free forage certification program to meet North American standards that require inspections for 53 noxious weeds. NDDA and NDSU staff trained 61 people to inspect and certify forage. In 2000, approximately 4,500 small bales of hay were certified as weed-free. In 2001, the number jumped to more than 17,000.

Yellow starthistle was reported in three counties in 2000. NDDA noxious weeds staff worked closely with county weed officials to contain the infestations and monitor fields for re-infestation. No new infestations were reported in 2001, and no new plants were found in previously infested fields.

NDDA noxious weed specialists, together with North Dakota Game and Fish staff and county officials, discovered the invasive plant salt cedar (tamarisk) along the Yellowstone River in western North Dakota. More than 300 salt cedar plants were found, mapped and treated with herbicide. NDDA staff are now helping organize a multi-state group to detect, map and eradicate new salt cedar infestations.

The Weed Innovation Network (WIN) program assists weed managers in implementing new control strategies and in raising public awareness of the damage caused by

noxious and invasive weeds to agriculture and the environment. Current WIN projects include collection and distribution of leafy spurge-eating flea beetles, youth and adult education programs and development of a continuing education program for weed control officers and board members and land managers.

Apiary

North Dakota led the nation in honey production in 2000, producing 3.33 million pounds of honey from 261,094 colonies.

The Department of Agriculture is responsible for licensing all beekeepers, registering beeyard sites and inspecting bee colonies for diseases and parasites.

NDDA licensed 170 beekeepers in 1999 and 179 in



An apiary inspector removes a sample of honey from a hive for testing.

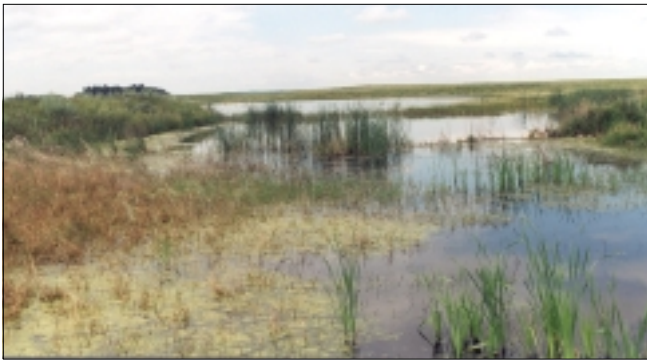
2000, while 8,629 apiary locations were registered in 2000. Most beekeepers are migratory, moving their operations to warmer climates in winter.

A major activity for the Apiary Division is the inspection of beehives for diseases, including American foulbrood (AFB) and European foulbrood (EFB), sacbrood and chalkbrood. Inspectors also check for varroa mites, an external parasite, and for small hive beetles.

Apiary inspectors also conduct pesticide inspections to ensure compliance with pesticide labeling. New bee pests have resulted in increased pesticide usage.

State Waterbank Program

A cooperative effort of five state and federal agencies, the State Waterbank Program provides participating land-



Funding from the State Waterbank Program helped restore this Wells County wetland.

owners with financial incentives to preserve wetlands and adjacent habitat.

Created by the North Dakota Legislature (NDCC 61-31), the Waterbank Program is administered by the Department of Agriculture with participation by the North Dakota Game and Fish Department, the State Water Commission, the U.S. Fish and Wildlife Service and the U.S. Natural Resources Conservation Service.

The program provides 5- or 10-year leases to landowners who agree not to “drain, burn or fill or otherwise destroy the wetland character” of the leased property or use the land for agricultural purposes, including cultivation, grazing or haying.

Funding comes from a combination of state and federal monies and through fundraising activities. No general fund dollars are appropriated for the program.

The 1999 Legislature authorized a transfer of up to \$200,000 from the North Dakota Game and Fish Department for Waterbank leases. NDDA was able to match these funds together with \$100,000 from the North Dakota Wetlands Trust to secure a matching grant of \$444,509 from the EPA. Nearly all of these funds have been committed.

The 2001 Legislature again authorized the transfer of \$200,000 from the North Dakota Game and Fish Department. Matching funds from the U.S. Environmental Protection Agency have been requested.

AGRICULTURAL MEDIATION

The North Dakota Agricultural Mediation Service (NDAMS) provides fair, realistic and timely dispute resolution services for farmers and ranchers, their creditors and others. In addition to the fulltime staff listed at left, NDAMS has 12 parttime employees located across the state.

In 1984, the State Industrial Commission established the North Dakota Farm Credit Counseling Program (FCC) as an emergency program to help farmers secure operating loans. Demand for services was so great that the commission re-authorized the program for the remainder of the biennium. In 1985, the program was authorized by state law. In addition, the 1985 Legislature created a separate Credit Review Board (CRB) to negotiate home quarter settlements. The 1987 Legislature merged the FCC into the CRB with the board providing policy for NDAMS, which was administered by NDDA.

The 1989 Legislature changed both the name and scope of the program to provide mediation services to farmers and ranchers and their creditors as allowed by the Federal Agricultural Credit Act of 1987. The legislation required the Farm Service Agency and Farm Credit Services to offer mediation to delinquent borrowers for debt restructuring and other debt servicing options when these options are less expensive to the creditor than foreclosure.

The 1991 Legislature expanded the NDAMS to provide services to farmers who had disputes in non-credit areas, such as disputes with government agencies, landlords, tenants, seed dealers, etc.

NDAMS offers two principal services — negotiation and mediation. Negotiators assist farmers and ranchers with loan questions, preparation of financial and cash flow statements and loan applications. Negotiators can help farmers and ranchers assess alternatives and assist them in negotiations with their creditors and others. Farmers can request negotiation by calling a toll-free number, (800) 642-4752. All information received is confidential. During the 1999-2001 biennium, NDAMS provided negotiation and financial analysis assistance to 1,157 clients of whom 377 were new clients.

Introduced in 1989 to reduce farm foreclosures and bankruptcies, mediation is a voluntary process for farmers and creditors, but it is mandatory for FSA and FCS and is requested as a matter of policy by the Bank of North Dakota on delinquent farm loans. Mediators act as impartial intermediaries between farmers and creditors and others in attempting to resolve credit problems outside the court system.

In FY99, the Mediation Service had 619 requests for mediation, entering into mediation in 170 cases. In FY00, NDAMS fielded 554 requests and mediated 289 cases. Agreement between parties was reached in approximately two-thirds of the cases.

Administrator

Jeff Knudson

Coordinator

Tom Silbernagel

Negotiators

Jim Bredwick

Patsy Otto

Tony Wixo

Administrative Assistant

Betty Nelson

Credit Review Board

Members of the Credit Review Board during the 1999-2001 biennium included:

- Marilyn Aarsvold, Blanchard
- Elwood "Woody" Barth, Solen
- Greg Engen, Finley
- Erin Kenward, Page
- David Rustebakke, Grand Forks
- Richard Schlosser, Edgeley.

STATE FAIR ASSOCIATION

North Dakota law (Century Code 4-02.1-26) requires that an annual report of the state fair association with a statement of financial condition be filed with the agriculture commissioner, and that the commissioner include the report in whole or in part in the biennial report of the Department of Agriculture.

The Secretary of State has advised the Department of Agriculture that because annual reports of the state fair and state fair association are published elsewhere at state expense and are readily available, reprinting these documents is unnecessary if they are referenced in the department's biennial report.

For a complete report on the North Dakota State Fair and the North Dakota State Fair Association for the 1997-99 biennium, please refer to the 2000 and 2001 annual reports of the North Dakota State Fair.

Copies of these reports may be obtained from:

The North Dakota State Fair
P.O. Box 1796
Minot, N.D. 58702
(701) 857-7620

Copies of these reports may be borrowed from:

The North Dakota State Library
604 E. Boulevard Ave.
Liberty Memorial Building
Bismarck, ND 58505-0800
(800) 472-2104
(701) 328-4622

Fair Manager

Gerald Iverson

NORTH DAKOTA DEPARTMENT OF AGRICULTURE

For the Period July 1, 1999 through June 30, 2001

USE OF FUNDS	Original <u>Appropriation</u>	Emergency <u>Commission</u>	Adjusted <u>Appropriation</u>	<u>Expenditures</u>	Unexpended <u>Appropriations</u>
Salaries & Wages	\$3,128,452.00	\$89,134.91	\$3,217,586.91	\$3,062,577.12	\$ 155,009.79
Operating Expenses	778,957.00	266,354.05	1,045,311.05	1,013,225.05	32,086.04
Equipment	22,900.00	27,068.00	49,968.00	33,293.67	16,674.33
Grants	161,700.00		161,700.00	108,671.35	53,028.65
Ag in the Classroom	96,000.00		96,000.00	17,7556.84	78,243.16
Pride of Dakota	151,516.00		151,516.00	146,604.71	4,911.29
Waterbank Program	414,000.00	440,303.00	854,303.00	634,616.48	219,686.52
Board of Animal Health	502,922.00	40,062.74	542,984.74	542,982.10	2.64
Project Safe Send	573,907.00	182,295.00	573,907.00	559,106.16	14,800.84
Anhydrous Ammonia	8,154.00		8,154.00	5,536.12	2,617.88
Wildlife Services	779,694.00		779,694.00	779,693.13	.87
Ag Mediation Service	801,681.00	130,000.00	931,681.00	904,633.81	27,047.19
Noxious Weeds	1,174,696.00		1,174,696.00	1,173,650.63	1,045.37
State Meat Inspection	<u>454,000.00</u>		<u>454,000.00</u>	<u>282,210.42</u>	<u>171,789.58</u>
	\$9,048,579.00	\$992,922.70	\$10,041,501.70	\$9,264,557.55	\$776,944.15
SOURCE OF FUNDS					
General Fund	4,461,363.00	56,290.05	4,517,653.05	4,509,976.39	7,676.66
Federal Funds	1,496,465.00	915,649.66	2,412,114.66	2,058,353.27	353,761.39
Special Funds	<u>3,090,751.00</u>	<u>20,982.99</u>	<u>3,111,733.99</u>	<u>2,696,227.89</u>	<u>415,506.10</u>
	\$9,048,579.00	\$992,922.70	\$10,041,501.70	\$9,264,557.55	\$776,944.15

