

NORTH DAKOTA DEPARTMENT OF AGRICULTURE

Biennial Report 2003-2005



*Promoting a healthy economy,
environment and social climate
for North Dakota agriculture
and the rural community.*

**Roger Johnson
Commissioner**

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A Message from the Commissioner

My Fellow North Dakotans,

One again, all North Dakotans can point with pride to the accomplishments of the state's 30,000 family farmers and ranchers. Thanks to their skill, hard work and dedication, our state leads the nation in the production of a dozen important commodities, including spring wheat, durum, barley, sunflowers, canola, dry edible peas and beans, oats, flax, honey and more. All of this has been accomplished in less than optimal growing conditions. Drought in some parts of the state and too much moisture in others caused significant reduction in yields and prevented the planting of hundreds of thousands of acres. Still more damage was caused by plant diseases, insects and other plant pests. Nevertheless, North Dakota producers continued to provide safe and abundant food, fiber and fuel for our state, our nation and the world.

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

The Department successfully pursued federal registrations and exemptions to obtain needed pesticides to protect crops and livestock. The department's mediators and negotiators provided producers with low-cost agricultural mediation and financial counseling services. Marketing Services found new markets, helped develop new products, and assisted new businesses. The work of state veterinarians helped ensure that our state remains free of major livestock diseases.

The accomplishments of the state's producers during this past biennium clearly demonstrate that agriculture will continue to be the bedrock of North Dakota's economy and society. I am confident that North Dakota agriculture will not merely survive, but will thrive in the years ahead.

Sincerely,

A handwritten signature in black ink that reads "Roger Johnson". The signature is written in a cursive, flowing style.

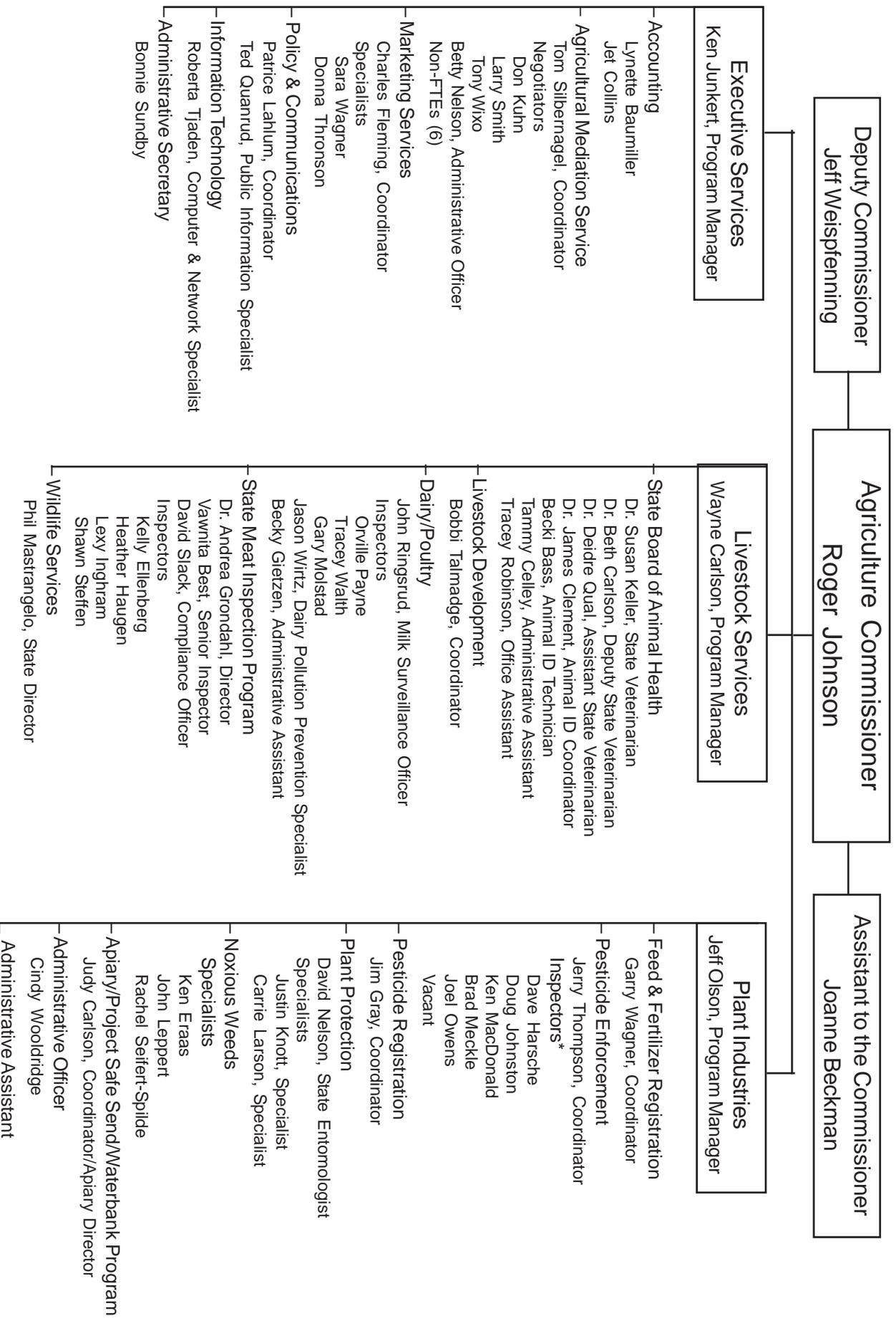
Roger Johnson
Agriculture Commissioner

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 North Dakota 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.

NORTH DAKOTA DEPARTMENT OF AGRICULTURE



* Pesticide inspectors conduct both enforcement and registration duties.

HISTORY

The office of commissioner of agriculture and labor was established in the North Dakota Constitution of 1889. In 1964, voters amended the constitution, dividing the office into two entities – commissioner of agriculture and commissioner of labor, and lengthening the term of office from two years to four. The title of the office was changed to agriculture commissioner by a constitutional amendment, approved by the voters in 1996.

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. (The collection and publication of statistics is now the responsibility of the North Dakota Agricultural Statistics Service.)

The following responsibilities are set forth in various sections of the North Dakota Century Code:

- Promoting improved marketing conditions for North Dakota products §4-01-19.
- Regulating 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.
- Controlling and eradicating bee diseases and licensing of beekeepers §4-12.2.
- Development, supervision and participation in programs to protect plant life from disease and insects §4-32-01 and §4-33.
- Administering a mediation service to resolve differences between financially distressed farmers and their creditors §6-09.10.

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

Agriculture Commissioners

Roger Johnson	1997-present
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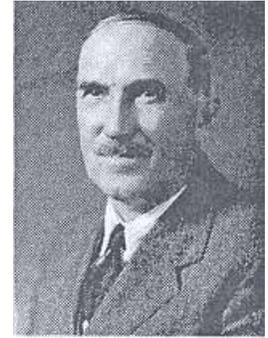
- Inspecting, certifying and licensing nurseries, nursery dealers and agents §4-21.1.
- Administering and enforcing state and federal pesticide laws §4-35.
- Licensing and inspection of anhydrous ammonia bulk facilities §4-38.

An Agriculture Department history highlight

John N. Hagan was North Dakota's only commissioner of agriculture and labor to serve non-consecutive terms in office.

Born in Indiana in 1873, Hagan came to North Dakota in 1900, homesteading in McHenry County near Deering. One of the first members of the Non-Partisan League, he was the Republican-endorsed candidate for commissioner of agriculture and labor in 1915. He won that election and two subsequent two-year terms. In 1921, the voters recalled Hagan and the other two members of the State Industrial Commission, Gov. Lynn Frazier and Attorney General William Lembke. Hagan was again elected commissioner of agriculture and labor in 1936. Two years later, as the Republican candidate for governor, he was defeated by Democrat John Moses.

Hagan died in Bismarck in 1952.



John N., Hagan

- Administering noxious weed laws §63-10.1.
- Monitoring compliance with established standards by organic producers §4-38.
- Promoting honey and honey products §4-12.1.
- Administering the Agriculture in the Classroom program §4-37.
- Cooperating with federal agencies in controlling animals that cause property damage §4-01-17.1.
- Administering the State Waterbank program §61-31.
- Promoting the turkey industry and turkey products. §4-13.1-01.
- Administering the cultivated ginseng law. §4-39.
- Registering crop protection products with Canadian labels §4-40.
- Licensing industrial hemp growers §4-41-02.
- Registering animal feeds and licensing and regulating animal feed products §19-13.1.
- Registering and regulating livestock medicines §19-14.
- Registering and regulating the sale of pesticides §19-18.
- Registering and enforcing laws pertaining to fertilizers and soil conditioners §19-20.1.
- Licensing anhydrous ammonia facilities and enforcing laws related to anhydrous ammonia storage §19-20.2.
- Administering a state meat inspection program §36-24.

Boards and Commissions

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

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

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 and 2004.

Agriculture Commissioner

Roger Johnson

Deputy Commissioner

Jeff Weispfenning

Assistant to the Commissioner

Joanne Beckman

Renewable Energy

Commissioner Johnson believes that North Dakota should adopt legislation and policies to expand the state's renewable energy resources. He directed NDDA to work with the North Dakota Department of Commerce, the North Dakota Corn Utilization Council, the North Dakota Soybean Growers Association and the University of North Dakota Energy and Environmental Research Center to organize the state's first renewable energy summit, "A Vision for the Future," Oct. 28-29, 2003, in Mandan. The two-day conference attracted more than 110 scientists, industry representatives, legislators, government officials and producers. As a result of the conference, the North Dakota Renewable Energy Partnership (NDREP) was organized to promote the growth of renewable energy production and markets while supporting legislation to enhance renewable energy in the state.



North Dakota's first renewable energy summit, "A Vision for the Future," drew representatives from the state's ethanol, biodiesel, wind power and biomass industries, as well as scientists, government officials and others.

Following a second summit, "A Call to Action" in December 2004, the NDREP developed proposed legislation to advance renewable energy in North Dakota. The legislation, which became HB 1308 in the 2005 Legislature, established in law the Renewable Energy and Conservation Office, essentially re-

naming the state energy office, which is part of the Department of Commerce. The legislation also proposed a renewable energy public policy for the state and set forth directives for renewable energy use by state government. HB 1308 proposed a renewable energy commission to administer a renewable energy trust fund. Those monies will be used for feasibility studies, applied research and demonstrations, venture capital investments, grants and matching grants, and low-interest loans and loan buydowns to foster the development of renewable energy, including wind, biofuels, biomass, solar, hydroelectric, geothermal and hydrogen (that is produced from the foregoing renewable energy sources.)



Agriculture Commissioner Roger Johnson testifies before a 2004 U.S. Senate field hearing on crop losses and inadequate crop insurance policies.

Regional issues

As president of the Midwest Association of State Departments of Agriculture (MASDA), Commissioner Johnson hosted the group's annual meeting in July 2003, in Fargo. The event brought together the commissioners, directors and secretaries of agriculture from Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. The group passed an eight-point resolution, asking that the USDA and other federal agencies increase inspection and surveillance efforts against bovine spongiform encephalopathy (BSE) and more stringently regulate the content of animal feed, a suspected major source of the deadly neurological disease.

National issues

Commissioner Johnson has chaired the Rural Development and Financial Security Committee of the National Association of State Department of Agriculture (NASDA), since 2000. During the 2003-2005 biennium, he led successful efforts within NASDA to support resolutions calling for:

- Improving federal response to BSE, including expanded inspection of imported livestock, meat and meat products; a total ban on ruminant protein in cattle feed and ruminant byproducts in poultry litter, and clear labeling of all consumer products that contain nervous tissue from bovine animals.
- Establishing federal policies and a regulatory program to allow development of industrial hemp production in the U.S.
- Restoring full funding for country-of-origin labeling (COOL) of all food products.
- Exempting agricultural producers from a new rule that requires them to file security plans when transporting certain agricultural materials and to place placards on vehicles transporting those materials.

Pesticide enforcement

The North Dakota Department of Agriculture took the lead role in a pesticide enforcement case involving the recovery of three containers of sodium cyanide, a deadly compound used in metallurgy, but illegally used by some beekeepers. Following reports of the loss of three containers of sodium cyanide near Devils Lake in September 2004, Commissioner Johnson ordered NDDA's Plant Industries program area to concentrate its resources to find the missing barrels.

After extensive ground and aerial searches by state and local authorities, the final barrel was found in a water-filled ditch along Highway 1 near Bocket about two weeks after it was reported missing.

As a result of NDDA's subsequent investigation, 11 companies and individuals were assessed more than \$108,000 in civil penalties for violations of state pesticide laws, stemming from the incident, including human endangerment, transport and distribution, and improper disposal of hazardous waste containers. Beekeepers were also cited in other states in enforcement actions based on information from NDDA.

Johnson and eight NDDA employees were later commended by the Environmental Protection Agency for their efforts.

Foreign trade

Following the successful initial contacts with Cuba, Commissioner Johnson led three trade missions to the Caribbean nation during the 2003-05 biennium. Despite increasingly onerous federal trade restrictions, North Dakota has secured about \$20 million in contracts – mostly for dry peas – from the Cuban government, as of the end of the biennium.

Marketplace for Entrepreneurs

Commissioner Johnson and U.S. Senator Kent Conrad are the organizing sponsors of the annual Marketplace for Entrepreneurs. Held in 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 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.

Many organization and development froips, such as the Northern Plains Inventors Congress, North Dakota Renewable Energy Partnership, New Bohemia, the Coordinating Council for Cooperatives hold meetings and programs in coinjection with Marketplace.

Marketplace 2004 was held in the Alerus Center in Grand Forks, while Marketplace 2005 was in the Bismarck Civic Center and Exhibition Hall. Marketplace 2006 will be held Jan. 18-19, in the FargoDome.

- 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 2005, the event was held in nine cities, and a summer program was added.

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

EXECUTIVE SERVICES

Executive Services provides fiscal management, computer maintenance, policy development and public information for other program areas within the North Dakota Department of Agriculture (NDDA). The program area also includes the North Dakota Agricultural Mediation Service, Marketing Services and the reception area.

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 right, NDAMS has six part-time employees located across the state.

The State Industrial Commission established the North Dakota Farm Credit Counseling Program (FCC) in 1984, to help farmers secure operating loans. Demand for services was so great that the commission reauthorized the program for the remainder of the biennium, and in 1985, the Legislature authorized the program by state law. The Legislature also 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.

Credit Review Board

Members of the Credit Review Board during the 2003-05 biennium included:

Marilyn Aarsvold	Blanchard
Elwood "Woody" Barth	Solen
Paul Burtman	Wildrose
Russ Erickson,	Grand Forks
David Rustebakke	Grand Forks
George Wald	Dickinson

Program Manager

Ken Junkert

Agricultural Mediation

Tom Silbernagel

Jim Bredwick

Patsy Otto

Tony Wixo

Betty Nelson

Fiscal Management

Lynette Baumiller

Jet Collins

Marketing Services

Charles Fleming

Sara Wagner

Donna Thronson

Policy & Communications

Patrice Lahlum

Ted Quanrud

Information Technology

Roberta Tjaden

Reception

Bonnie Sundby

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 2003-05 biennium, NDAMS provided negotiation and financial analysis assistance to 164 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.

During the 2003-05 biennium, NDAMS mediated 375 cases of 437 requests. Agreement between parties was reached in approximately 90 percent of these cases.

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



Teachers look over classroom materials during a break of a Project Food, Land & People training session.

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 program that encourages the use of state-specific information. FLP has 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, Devils Lake, Dickinson, Fargo, Langdon, Minot and Williston.

The AGcitement Learning Lab offered a hands-on agriculture experience to 400 students at the Yunker Farm Children's Museum, Fargo, in cooperation with the Fargo Public Schools.

The council published four editions of NORTH DAKOTA AGMAG. Each edition was devoted to a different subject – technology, wheat beef and "We're #1."

Several other projects are now underway to increase agriculture education into all classrooms in North Dakota. NDDA also main-

Agriculture in the Classroom Council

Members of the Agriculture in the Classroom Council during the 2003-05 biennium included:

Kim Alberty, Agassiz Seed & Supply, West Fargo
Brenda Deckard, NDSU Plant Sciences, Fargo
Ginger Dietz, teacher, Bennett Elementary School, Fargo
Kay Fortier, North Dakota Cattle Women, Wildrose
Jeff Hagel, Granville High School, Granville
Gary Hoffman, Midwest Dairy Association, Ashley
Kathy Holle, Department of Career and Technical Education, Bismarck
Aggie Jennings, North Dakota Farmers Union, Washburn
Deborah Johnson, North Dakota Soybean Council, Fargo
Roger Johnson, Agriculture Commissioner, Bismarck
Ted Johnson, Kindred High School, Kindred
Mary Lou Klemisch, Prairie View Elementary School, New Salem
Margie Martin Lee, North Dakota Wheat Commission, Velva
Wayne Sanstead, Superintendent of Public Instruction, Bismarck
Gail Scherweit, North Dakota Farm Bureau, Fargo
Doug Vannurden, North Dakota Vocational & Technical Education, Bismarck
Jill Vigesaa, Project Food, Land & People, Fargo



Robert and Pam Larimore, owners of Dakota Honey and Dakota Candles of Larimore, meet with customers at one of the four annual Pride of Dakota Holiday Showcases.

tains a lending library of educational materials for students and teachers.

Marketing Services

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

During the 2003-05 biennium, NDDA aggressively sought to expand markets for North Dakota commodities in Cuba. Agriculture Commissioner Roger Johnson has led several missions with North Dakota companies to the Caribbean nation. More than \$10 million in sales have resulted directly from those efforts. NDDA also assisted North Dakota companies in attending many international trade shows in Europe, Asia and North America.

NDDA works closely with the Mid-America International Agri-Trade Council (MIATCO) to develop markets for North Dakota companies. The number of North Dakota companies enrolled in MIATCO's branded program this biennium surpassed any previous biennium. North Dakota had the largest number of participants in MIATCO's Distributor Development Services program. MIATCO now publishes an electronic international newsletter for exporters, export service providers and others interested in international trade.

With more than 400 member companies, the Pride of Dakota (POD) program is the centerpiece of the Marketing Services domestic activities. NDDA celebrated the 20th anniversary of the program during March of 2005. A newly initiated Pride of Dakota Store Program has raised public awareness of the Pride of Dakota program. Fifty five retailers are a part of that effort.

Records were broken this biennium in attendance at the annual Holiday Showcases held in the four largest cities, reaching more than 20,000 people each year. More than 175 Pride of Dakota vendors participated, also a record.

Taste of Dakota events were held in a number of grocery stores, providing an opportunity for Pride of Dakota food members to expose their products to new markets. The

Wholesale Gift Show continues to attract a large number of vendors and North Dakota retailers who are interested in carrying their products.

Pride of Dakota School Lunch Day continues to be popular with North Dakota schools. On a special day in March of each year, schools are encouraged to serve North



Agriculture Commissioner Roger Johnson lunches with students at James Madison Elementary School in Fargo during Pride of Dakota School Lunch Day.



More than 25 new farmers' markets were organized in North Dakota during the 2003-05 biennium.

Dakota products. Other Pride of Dakota activities include hosting marketing seminars to increase the capabilities of its members, and the hosting of an Internet mall – www.shopnd.com – with approximately 40 companies participating. This enables companies to advertise and sell directly on the Internet. Sales from this site have increased each year. Pride of Dakota Day at the North Dakota State Fair with more than 40 companies participating continues to be an excellent venue for companies to display and sell their products

Excellent member participation at the twice-yearly Minneapolis Gift Mart resulted in increased sales and new distributorships for North Dakota firms.

Marketing Services has been very active in the promotion of farmers' markets, holding more than 75 meetings across the state that resulted in the organization of 27 new markets.

NDDA was instrumental in establishing the North Dakota Farmers' Market and Growers Association in 2004. An annual farmers market conference has been held in each of the last two years which provides educational opportunities for its members. A database of growers, farmers' markets and farmers' market developers has

been established, and NDDA has developed an electronic newsletter for members and others interested in promoting the industry. Promotional activities for Farmers' Market Week included an NDDA-sponsored coupon promotion. A new logo, *Dakota Grown: It's All Good* was developed. NDDA, working with the association, has developed a multi-year strategy for further development of farmers' markets.

Marketing Services was also active in livestock development. Working with the private sector, a hog pricing matrix system was developed and a \$300,000 minimum price guarantee fund for hog expansion was established. A hog reference section was added to NDDA's website, providing links to a wide variety

of topics of interest to pork producers. The Legislature passed a bill introduced by NDDA that creates a new Bank of North Dakota loan guarantee program for cattle feeding.

Marketing Services administers the Honey Promotion Fund with the advice of the North Dakota Beekeepers Association and the Turkey Promotion Fund with the advice of the North Dakota Turkey Federation.

Honey Promotion Fund

Revenue

Honey promotion fees	\$34,042.45
Miscellaneous sales	189.90
Interest	108.14
2001-03 carry-over funds	<u>8,491.17</u>
	\$42,831.66

Expenditures

Operating expenses	\$29,837.60
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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 mini-

mum assessment of \$1.00 per beekeeper. All proceeds are deposited in the Honey Promotion Fund. Any beekeeper who does not wish to participate in the Honey Promotion Act may request a refund of the assessment. During the 2003-05 biennium, the Honey Fund was used for special promotions and research to benefit the honey industry.

Turkey Promotion Fund

Revenue

Turkey checkoff	\$39,744.39
Interest	103.11
2001-03 carry-over funds	12,238.11
	\$76,014.47

Expenditures

Operating expenses	\$40,453.53
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Created by the 1973 Legislature and funded by a producer 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.

During the 2003-05 biennium, the fund was used to purchase radio and television promotional spots, to supply turkeys to local food banks and to sponsor 4-H activities.

Fiscal Management

Fiscal Management helps develop the agency's budget, processes payroll, pays all bills and deposits all revenue. It is responsible for compliance with state and federal laws, including expenditure tracking and the filing of required reports to federal agencies providing grants. Fiscal Management also handles personnel responsibilities, such as workforce safety, wellness and training.

During the 2003-05 biennium, The State of ND converted their accounting system to PeopleSoft in October, 2004. This transition involved a significant time commitment for employee training and other added employee demands

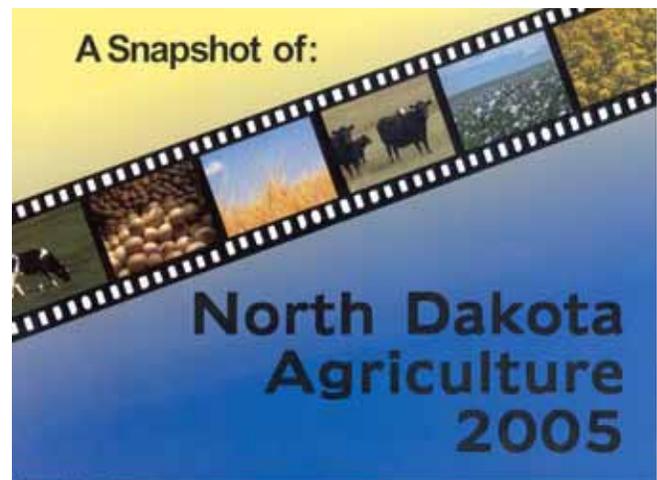
Policy & Communications

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 2003-05 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 renewable 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. Publications are made available in hard copy and on NDDA's website www.agdepartment.com.



Created and produced by Policy & Communications, "A Snapshot of North Dakota Agriculture 2005" has proved a valuable tool for promoting the state's agricultural industry.

Information Technology

The Information Technology Coordinator is responsible for developing and implementing NDDA's information technology plan, including installation and maintenance of computer hardware and software, and administration of the department network web sites. The coordinator also provides on-site technical assistance and training, maintains all telephones, and serves as a liaison with the Information Technology Department.

LIVESTOCK SERVICES

Livestock Services includes duties and functions related to dairy production, animal health, livestock sales, meat inspection and animal damage control. Domestic and nontraditional livestock in North Dakota is now estimated at 1.71 million cattle, 169,000 hogs, 105,000 sheep, 1 million turkeys, 26,000 bison, 50,000 horses, 8,000 elk and a growing population of deer, ratites and other nontraditional livestock.

Dairy/Poultry

Safeguarding the 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 hundreds 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.

Dairy inspectors visited the state's 350 dairy farms an average of 2.5 times a year during the biennium, checking for equipment cleanliness, proper use and storage of drugs and that the water supply meets approved standards. Inspectors also conducted about 130 inspections of distribution facilities and more than 200 inspections of farm bulk trucks and samplers during the biennium.

North Dakota's four fluid milk processing plants and three manufacturing plants are inspected four times annually. Inspectors collect samples of raw milk and finished products 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 34 listed (certified) producer groups, five plants, and two 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 also serves as the Poultry Division, conducting poultry inspections and regulation in North Dakota (NDCC 4-13.2). The division monitors the movement of chicks, hatching eggs, breeder flocks and hatcheries for compliance with the National Poultry Improvement Plan, which is designed to reduce or eliminate major poultry-related diseases.

In addition, the division inspects small flock egg production operations, thereby allowing those producers to market eggs directly to institutions like schools and nursing homes. There are currently 20 such producers in the state. Poultry licensing, bonding requirements and inspection paperwork are handled by the dairy inspection services coordinator.

Program Manager

Wayne Carlson

Animal Health

Susan Keller, DVM
Beth Carlson, DVM
Deidre Qual, DVM
James Clement, DVM
Thomas Moss, DVM
Tammy Celley
Tracey Robinson

Dairy/Poultry

John Ringsrud
Orville Paine
Tracey Walth
Jason Wirtz
Becky Gietzen

State Meat Inspection

Andrea Grondahl, DVM
Vawnita Best
David Slack
Kelly Ellenberg
Heather Haugen
Lexy Inghram
Shawn Steffan

Wildlife Services

Phil Mastrangelo - Director

Dairy Pollution Prevention Program

NDDA is in the fifth year of the Dairy Pollution Prevention Program (DP3) that provides educational, technical and financial assistance to producers for manure management. The program worked with about 90 dairy operations during the 2003-05 biennium. The program is funded by EPA 319 grants through 2009.



This solids separator unit on a Barnes County dairy operation was constructed using DP3 funding

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 livestock producers through licensing of livestock dealers and livestock auction markets (NDCC §36-04, 36-05).

Dealers or auction markets are licensed only after they post adequate bond, file a current financial statement and pass basic tests of financial responsibility. Random field visits are conducted 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. Wool dealer licenses are \$10 and are valid from July 1 through June 30.

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, and establishing operating policies for the State Veterinarian's office.

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

The state veterinarian diagnoses, prevents, and controls 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. The recent development of the Private Practitioner Portal can now be used as a reporting tool for veterinarians in the field to report diseases or humane complaints. A 21-member Veterinary Reserve Corps has been developed and trained to assist the board's emergency coordinator and the state veterinarian to prepare for and carry out emergency response related activities.

Under NDCC 36-01-12, 36-14, and 36-15, BOAH 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

State Board of Animal Health 2003-05

Nathan Boehm, Mandan, dairy cattle
Jeff Dahl, Gackle, registered purebred cattle
Ron Fraase, Buffalo, swine
Francis "Buck" Maher, Menoken, commercial cattle
Dr. Rick Roth, Fargo, veterinarian
Shawn Schafer, Turtle Lake, non-traditional livestock
Paula Swenson, Walcott, sheep
Dr. Kenneth Throlson, New Rockford, bison
Dr. William Tidball, Beach, veterinarian

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 2003-2005 biennium, 104 reports were investigated either directly or indirectly with



Assistant State Veterinarian Deidre Qual checks supplies in the new mobile veterinary laboratory. The 25-foot trailer has a stainless steel interior and refrigeration and can be used for field examinations and for responding to animal health emergencies.

the cooperation of county sheriffs and practicing veterinarians. The board provides the expertise necessary when these cases were prosecuted.

The board supervises and enforces licensing and rules relative to nontraditional livestock, such as deer, indigenous birds and other exotic species. Currently, 128 non-traditional livestock premises are licensed. Elk are considered domestic animals under North Dakota law, but the premises and the inventories are approved by BOAH. There are currently 95 approved elk premises the state.

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 17 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. There is currently only one licensed rendering plant, which is located in Minot, North Dakota.

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, cooperating in field investigations and activities required in national disease eradication or control programs.

Emergency response

BOAH has hired an assistant state veterinarian who acts as liaison between NDDA, the State Department of Health and the Division of Emergency Services, as well as other state and federal agencies. This person is responsible for continuing to develop the animal health emergency plan and the animal emergency incident command system which includes developing standard operating procedures on quarantine, foreign animal disease diagnosis, animal euthanasia and destruction, animal disposal and recovery plans. In addition, this position is responsible for animal health surveillance programs, educating veterinarians in identifying and diagnosing zoonotic and foreign animal diseases as well as education of producers on protocols and methods to prevent introduction of foreign animal diseases. Funding is provided through a grant from the State Health Department's CDC funding.

Animal ID

Formal discussions on implementation of a National Animal Identification Plan have been taking place for over a decade. They have been facilitated by organizations such as the U.S. Department of Agriculture, Animal and Plant Health Inspection Service (USDA-APHIS) and the National Institute for Animal Agriculture (NIAA). In 2002 NIAA initiated meetings that led to the development of the U.S. Animal Identification Plan (USAIP). That work provided the foundation for the National Animal Identifi-

cation System (NAIS) in 2004. NAIS is administered by Veterinary Services (VS) a division of USDA-APHIS. States receive federal funds to implement the NAIS.

BOAH and the North Dakota Stockmen's Association (NDSA) work together on animal identification. By law, the NDSA administers any federally-sponsored animal ID program for cattle, horses and mules. BOAH is responsible for all other species and is designated by USDA-APHIS, to receive and manage the funds that support NAIS implementation and research.

The goals of the NAIS include:

- Identifying all animals and premises that have had contact with a foreign or domestic animal disease of concern within 48 hours after discovery.
- Minimizing financial losses associated with foreign animal diseases.
- Improving access to export markets.
- Building public confidence in the products of animal agriculture.

The timelines for implementation of the NAIS are:

- July 2005: all states capable of premises registration.
- July 2005: animal identification number system operational.
- January 2008: Premises registration and animal identification required.
- January 2009: Reporting of defined animal movements required.

Meat and poultry 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 and/or poultry inspection programs. These programs must have laws, regulations and procedures that are "at least equal to" those of FMIA. Once FSIS approves a state program, it will receive up to 50 percent federal funding of the total cost of the program. The program initially sought and gained approval to provide inspection service only for red meat products or livestock including bovine, swine, elk, buffalo, sheep and lamb. In 2005 the program gained approval, added poultry inspection service and became the State Meat and Poultry Inspection 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 slaugh-

tered, processed and/or stored in North Dakota meet state and federal requirements.

The staff consists of a director/veterinarian, a senior inspector, compliance officer/inspector, and five field inspectors located in Bismarck, Fargo, Cooperstown, Langdon, Jamestown, Dickinson and Grenora.

Because state programs focus on regulating small and medium-sized businesses, they are generally more accessible and more flexible than their federal counterparts,



Senior Inspector Vawnita Best and Inspector Cami Metzger check dates in a processing plant's storage area.

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 other livestock products directly to consumers in state.

The 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 and Poultry Inspection Program currently regulates 113 processing plants located throughout North Dakota. Thirteen 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 antemortem

and postmortem examinations of 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 work the plant does.

The final products from official establishments carry 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 nontraditional products, such as buffalo or elk, that may be sold out of the state if they meet special criteria.

The other meat processing plants (100) 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 program is administered by the Animal and Plant Health Inspection Service of the U.S. Department of Agriculture through cooperative agreements with the North Dakota agriculture commissioner, the North Dakota Game & Fish Department, the North Dakota State Health Department and the North Dakota State University Cooperative Extension Service.

During the 2003-2005 biennium, Wildlife Services helped farmers, ranchers, homeowners and airports manage wildlife conflicts, principally coyote predation of livestock, beaver damage to property, blackbird damage to sunflowers, waterfowl damage to grain, wildlife problems in urban areas and wildlife hazards to health and safety.

Wildlife Services responded to more than 1,500 reports of predator damage to livestock. Personnel documented \$230,000 in losses of sheep, calves, and other livestock to predators, primarily coyotes. Previous scientific research has shown that in the absence of a livestock protection program, those losses could have been as much as two to three times higher.

More than 1,000 incidents of beaver damage, totalling



Wildlife Services biological technician Tony Slowik, Turtle Lake, sets a binary explosive charge to destroy a beaver dam.

\$1.3 million in damage to crops, trees and roadways were investigated. Wildlife Services trapped problem animals and removed 118 beaver dams with binary explosives.

During the 2003-2005 biennium, Wildlife Services identified 10,000 acres of cattail-choked wetlands that served as blackbird roosting sites. Those areas were aerially treated with a glyphosate-based, aquatic herbicide. Dispersal of the birds from their roosts helped to minimize damage to surrounding sunflowers fields. The cattail management program benefited 115 landowners. Devices such as propane cannons and pyrotechnics were also distributed to frighten birds away from crops.

Wildlife Services and the North Dakota Game and Fish Department assisted more than 200 farmers who reported Canada goose damage to small grain crops. Frightening devices, electric fencing, habitat management and depredation permits were used to mitigate the damage.

Each year, Wildlife Services responded to increased incidents of human/wildlife conflicts in urban areas. Problems included animals, such as raccoons, skunks, rabbits, and squirrels inside homes and on property.

Wildlife Services assisted the North Dakota Department of Health with a West Nile Virus surveillance program and the Game and Fish Department with chronic wasting disease surveillance. Wildlife Services also helped manage a variety of wildlife hazards at eight civilian and two military airports in North Dakota.

PLANT INDUSTRIES

Plant Industries is responsible for North Dakota Department of Agriculture (NDDA) 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, organics, and the State Waterbank Program.

Pesticides

Pesticides protect the health and well-being of people, domestic animals and crops from insects, rodents, weeds, fungi and other pests. Used improperly, however, pesticides can endanger human health and the environment. The 1975 Legislature created the North Dakota Pesticide Control Board, chaired by the agriculture commissioner, to administer state pesticide laws and regulate the distribution, storage, transportation, disposal and application of pesticides.

In response to U.S. Environmental Protection Agency mandates, NDDA continues to develop programs to deal with protection of farm workers, groundwater and endangered species.

North Dakota was the first state to establish an endangered species protection program. NDDA worked with the U.S. Fish and Wildlife Service to digitize endangered species distribution maps and create county bulletins to mitigate the risk of pesticide use to threatened and endangered species. The endangered species bulletins are available on NDDA's website.

In response to growing concern about the effects of pesticides on human health, NDDA developed the North Dakota Worker Protection Program that provides necessary information for protection of farm workers from exposure to harmful pesticides. NDDA personnel conducted education programs across the state to help agricultural employers comply with the worker protection standard. Routine inspections were conducted 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 groundwater 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 coordinated the digitization of the state's soil maps. This project was completed in June 2005. The North Dakota Geological Survey, the State Water Commission and the U.S. Natural Resources Conservation Service participated in the project.

EPA funds 85 percent of NDDA's pesticide responsibilities. State funds provide the balance.

Program Manager

Jeff Olson

Plant Protection

Dave Nelson

Justin Knott

Carrie Larson

Pesticide

Jerry Thompson

Dave Harsche

Pat O'Neil

Dan Sletten

Julie Tronson

Doug Johnston

Joel Owen

Brad Meckle

Noxious Weeds

Ken Eraas

John Leppert

Rachel Seifert-Spilde

Pesticide Registration

Jim Gray

Feeds/Fertilizer/Anhydrous

Garry Wagner

Cindy Wooldridge

Apiary/Project Safe Send

Judy Carlson

Elaine Saylor

Pesticide Enforcement

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

Pesticide Enforcement conducted 1,648 inspections during the 2003-2005 biennium. As a result of these inspections, 239 warnings were issued, and 178 civil penalties were assessed. Most inspections showed that North Dakota applicators and dealers comply with the law.

Pesticide Enforcement conducted 100 retailer inspections to assess compliance with NDCC 19-18. From these inspections, the department documented 82 violations covering 78 unique pesticide products. As a result, more than 25 new pesticide registrations were granted and numerous unregistered pesticides were removed from the market.

Pesticide Registration

During the biennium, Pesticide Registration applied for 38 Section 18 exemptions to the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) to allow unregistered uses of pesticides for emergency situations. The Environmental Protection Agency approved 35 of these requests. Two were withdrawn and one is still awaiting review. In addition, NDDA also issued three crisis Section 18 exemptions and 28 Section 24(c) Special Local Needs (SLN) registrations during the past biennium.

Project Safe Send

NDDA conducted 17 Project Safe Send collections during the biennium, enabling farmers, ranchers and others to dispose of banned, hazardous and unusable pesticides. More than 142 tons of unusable pesticides were collected from 786 participants.

Feeds/Fertilizer/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 3,590 commercial feeds and 3,964 pet foods are registered in the state. During the 2003-05 biennium, 848 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

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

products, requesting corrections, and in a few instances, stop sale orders were issued. During the same period, 306 feed manufacturers and 259 feed retailers were licensed. As of the end of the biennium, 1,341 livestock medicines were registered in the state.

A total of 2,060 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 910 fertilizer samples for testing. Approximately 14 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 485 fertilizer distributors licensed in the state.

By the end of the biennium, 351 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 Plant Protection (NDCC 4-33). Plant Protection 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. Plant Protection conducts annual inspections of nursery growers for insects and diseases, allowing for both in-state and out-of-state sale. Nursery stock at dealer locations is inspected to detect and prevent pest introductions and to enforce viability and hardiness requirements. Plant Protection works with the industry to pre-

vent 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>2003</u>	<u>2004</u>
Growers licensed	40	40
Dealers licensed	146	153

Plant Protection cooperates with USDA-APHIS under the Cooperative Agricultural Pest Survey Program. This program includes exotic pest surveys, pest surveys to generate data to enhance the exports of North Dakota agricultural products and pest surveys on other pests of mutual interest to state and federal government.

Surveys were conducted for gypsy moth (in cooperation with the North Dakota Forest Service and USDA-APHIS), various nematodes (Golden nematode, potato cyst nematode, root knot nematodes (*Meloidogyne* spp.), soybean cyst nematode, false rootknot nematode and pea cyst nematode, wheat diseases (including Karnal bunt, dwarf bunt, flag smut and others), cereal leaf beetle and Japanese beetle.

Plant Protection provides export certification services to exporters 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, 2,632 federal and state phytosanitary certificates were issued for agricultural products compared to 2,956 during the previous biennium.

In addition, 1,037 in-transit origin certificates were issued for wheat and barley grain moving through Canada to destinations in the United States.

During the biennium, 147 origin certificates were issued for wheat and barley rail shipments to California to meet California cereal leaf beetle quarantine requirements

Plant Protection maintains compliance agreements with elevators to certify corn shipments for compliance with California European corn borer quarantine.

Phytosanitary field inspections of seed crops were conducted in 2004 as follows: sunflower (79 acres), corn (49 acres) and barley (15 acres).

Plant Protection 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.

NDDA participated in a Cooperative Rangeland Control Program with USDA-APHIS in 2004 in McKenzie County involving a total of 6,232 acres (4,138 acres federal, 640 acres state land, and 1,454 acres private land). RAAT (Reduced Area and Agent Treatment) technology was used that has been shown to reduce costs and pesticide usage.

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. Noxious Weeds coordinates the efforts of county weed boards 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 2003-2005 biennium, \$792,692 was distributed to 49 counties for chemical and biological control.

NDDA distributed \$115,803 to 32 county weed boards for the control or eradication of 12 new invasive weed species. Through special funding provided by a legislative appropriation in 2003, \$244,259 was distributed to 35 counties for a saltcedar grant cost-share program.

In 2002 and 2003, the weed-free forage program certified over 48,000 bales compared to 21,500 last biennium. Cheat grass, which includes 6 distinct annual brome species, was added to the ND list of noxious weeds for Certified Weed Free Forage.

North Dakota’s Noxious Weeds

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

NDDA noxious weed specialists, together with federal and state agencies and county officials, started a large-scale survey and control effort for saltcedar along shorelines of North Dakota's lakes and rivers. Saltcedar was found along the shores of Lake Sakakawea, Yellowstone River, and Little Missouri River. NDDA assisted the U.S. Army Corps of Engineers with developing a saltcedar survey and eradication protocol for Lake Sakakawea. Through cooperative efforts and proper education, a state-wide effort to combat saltcedar is in its beginning stage. Efforts from the NDWCA, sportsmen's groups, state, and federal agencies, a legislative bill was passed to provide \$250,000 to the NDDA for assistance in surveying and controlling saltcedar in all of North Dakota.

The WIN program was replaced by a Cooperative Weed Management Grants Program. The goal of this program is to encourage and enhance cooperative weed management efforts between county weed boards and private landowners and state and federal agencies.

GPS units were distributed to county and city weed boards that entered into an agreement with the NDDA to map weed infestations. The GPS coordinates and relative infestation data was given to the NDDA and saved in a database, maps of each participating weed board's jurisdiction were made and returned to assist the weed board in advancing their weed control efforts. As of June 2003, 48 of the 59 weed boards are participating in this program. All programs that the NDDA implements will have a GPS data collection a requirement to receive funding. This information will used to monitor weed infestations, rate of spread, and areas of concern for future weed control efforts.

Apiary

North Dakota was one of the nation's leading states in honey production in 2004, producing 30 million pounds of honey from 423,562 colonies.

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

NDDA licensed 188 beekeepers in 2003 and 192 in 2004, while 9,678 apiary locations were registered in 2004. Most beekeepers are migratory, moving their operations to warmer climates in winter.

A major activity of Apiary 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 landowners 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.

As of the end of the 2003-05 biennium, 65 agreements totaling 6,299.7 acres have been finalized. Of the total acreage, there were 1,710.1 acres of wetlands, 4,484.3 acres of upland acres and 105.3 acres of wetlands that have been drained and could be restored. The number of contracts was nearly half again the program's goal of 46.

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

Organics

There are approximately 300 organic producers in North Dakota. The Department follows the National Organic Program rules that became effective in October, 2002. NDDA has distributed approximately \$117,796.06 from USDA to organic producers to cover seventy-five percent of their certification costs to a maximum of \$500 per producer over a three-year period.

STATE FAIR ASSOCIATION

North Dakota law (NDCC 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 reprinting these documents is unnecessary if they are referenced in the department's biennial report because they are published elsewhere at state expense and are readily available.

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 2003 and 2004 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, 2003 through June 30, 2005

USE OF FUNDS	Original Appropriation	Current Appropriation	Expenditures	Remaining Appropriation
Salaries & wages	\$4,494,970.00	\$4,542,570.00	\$4,218,310.29	\$324,259.71
Operating expenses	3,359,825.00	3,397,410.56	2,477,128.67	920,281.89
Capital assets	8,000.00	8,000.00		8,000.00
Grants	100,000.00	245,000.00	204,537.57	40,462.43
Pride of Dakota	180,948.00	180,948	126,390.44	54,557.56
Ag in the Classroom	45,000.00	45,000.00	44,872.06	127.94
Board of Animal Health	869,464.00	40,062.74	1,680,653.60	638,195.40
Project Safe Send	308,870.00	182,295.00	451,100.04	7,959.96
Wildlife Services	800,000.00	800,000.00	800,000.00	
Noxious weeds	1,596,836.00	1,813,136.00	1,611,483.22	201,652.78
State Meat Inspection	763,461.00	763,461.00	763,282.42	178.58
<u>Crop Harmonization Board</u>	<u>25,000</u>	<u>25,000</u>	<u>15,071.34</u>	<u>9,928.66</u>
Total expenditures	\$12,552,374.00	\$992,922.70	\$10,041,501.70	\$9,264,557.55
 SOURCE OF FUNDS				
General Fund	4,233,525.00	4,239,035.56	4,238,035.56	1,000.00
Federal Funds	4,008,715.00	6,049,265.00	4,393,916.26	1,655,348.74
Special Funds	<u>4,310,134.00</u>	<u>4,320,134.00</u>	<u>3,760,877.83</u>	<u>549,256.17</u>
	\$12,552,374.00	\$14,598,434.56	\$12,392,829.65	\$2,205,604.91