

# **PREAMBLE**

The basic aims of Farmers Union are based upon our understanding of God and nature. We believe in this nation, which holds the greatest hope for eternal freedom for humanity everywhere.

Guided by our cooperative, legislative and educational goals, as illustrated by the Farmers Union triangle, we are dedicated to the advancement of the profession of family farm agriculture and to providing a quality of life for people everywhere.

We, the members of North Dakota Farmers Union (NDFU), are committed to providing effective grassroots leadership in rural America and to significantly increase net farm income, improve the quality of rural life and increase North Dakota's rural population so that family farmers and rural communities can thrive and prosper.

We reaffirm our convictions of the truth and rightness of the ideals expressed in the Declaration of Independence, the Constitution of the United States and its Bill of Rights.

Only the family farm system of agricultural production can provide the opportunities of individual enterprise to all farm families in our society. No other system can achieve the economic and social stability, the soil and environmental stewardship and the production efficiency of the family farm.

Ownership, operation and management of a farm unit should be vested within the family who farms and makes a livelihood from that farm unit. Policies which encourage the separation of ownership, operation or management of farm units are contrary to the interests of family farmers.

State and federal programs must be targeted to benefit and protect the family farm. These policies can be initiated through persistent and consistent efforts by family farmers working in solidarity with other sectors of our society.

The combined objectives set forth in this Policy Statement are adopted for the purpose of firmly re-establishing the family farm structure as the primary system for agricultural production, rural and urban stability, national prosperity, the preservation of human and natural resources and the dignity of the individual and the family.

# **SECTION I. AGRICULTURAL PROGRAM FOR THE FAMILY FARM**

The owner-operated family farm and ranch is the keystone of a free, progressive, democratic society and a strong rural America; and is the basis of a secure and stable national food security system.

Family farmers are the critical element in a dynamic system of communities and families that make up rural America. A family farm is an agricultural unit of land and other capital investments operated by a farm operator and his or her family who provide the management, take the economic risk, are good stewards of the land, do most of the work required to operate the unit and depend on farming or ranching for a significant portion of their living expenses.

## **1. NATIONAL FOOD AND FIBER POLICY**

Farm policy must be based on the following:

- A. Our nation's agricultural policy must be directed away from the present course of industrialization and consolidation and toward an economic system that provides citizens the opportunity to own, control and work their own land, define their own destinies and remain contributing members of their communities and country. It is essential that the social and economic impact of any new farm program on rural communities be determined before proceeding.
- B. National farm policy must ensure that control of agriculture is vested with the family farm and reverse the decline in the number of family farms. It should foster a fair and competitive environment that allows farmers and ranchers to increase their net farm income, improve the quality of rural life, and continue to provide a safe, reliable supply of food, fiber and fuel to this country and the world.
- C. We adamantly oppose stripping the nutrition title from the farm bill. It is about connecting the people who grow food to those who eat food – an obvious educational tie that needs to stay in place for any agriculturally driven state such as North Dakota. Further, we are called to support our neighbors who are hungry, many of whom are in rural communities as well as urban. Keeping the nutrition title in the farm bill helps connect the dots in the farm-to-table story so consumers, taxpayers and the hungry understand the importance of a strong agricultural economy.

## **2. FARM POLICY OBJECTIVES**

Farm policy should ensure that family farmers and ranchers can secure net farm income equivalent to families in other sectors of our national economy. It should provide price protection, provide risk management, be targeted toward family farmers, contain stock control mechanisms that do not push stocks onto the market at the point when prices are the lowest, and ensure competition in the marketplace.

### **A. Specific Federal Farm Policy Components**

- (1) We support planting flexibility.

- (2) We support being given the right to update acreage bases and proven yields on all crops for each farm to reflect more recent years of production.
- (3) We support building in accountability to reduce government costs and reduce bureaucracy.
- (4) The farm bill should include a weather-related disaster provision in the program. There should not be cross-compliance of insurance coverage for raising commodity crops and production livestock in order to receive disaster payments. Ranching and grain farming are separate enterprises and should be treated as such.
- (5) Farmers and ranchers raising new crops on which they have no production history should have special consideration if disaster assistance is based on crop insurance losses because they have to use T-Yields until they establish proven yields.
- (6) We support a safety net that is countercyclical and indexed to current production costs.
- (7) We support directed program benefits, or targeting support to the production levels of family farmers.

Targeting would reduce government costs, further the sustainability of family farms and rural communities and counter further consolidation.

- (8) We believe realistic and meaningful payment limits need to be implemented. This means:
  - (a) The definition of a person who is actively engaged in production agriculture needs to be strengthened to require active personal management and active personal labor in the actual farming operation.
  - (b) That payments should be transparent and directly attributable to a person who meets the criteria of actively engaged.
  - (c) We urge the Secretary of Agriculture to use his authority to prevent farm program benefits from going to persons not actively engaged in producing agricultural products.
- (9) We oppose artificial subdivisions of farms in order to avoid payment limitations.
- (10) We oppose farm program payments that are decoupled from production.
  - (a) We are in favor of farm program payments that mirror or match any current production.
- (11) We believe all producers should have an opportunity to update the number of base acres on their cropland to reflect a true representation of the number of acres farmed and current crops being raised versus the current base acres which reflect decisions made decades ago. All

cropland acres should have the same amount of base acreage, whether they are currently in crop production, enrolled in CRP or used to grow specialty crops including fruits and vegetables, etc.

- (12) We support the removal of marketing loan caps and the upward equalization of commodity marketing loan rates, based on the historic price relationship between commodities and equal to USDA's cost of production. We support a flexible marketing loan period.
- (13) We support establishing a revolving, two-year, farmer-owned reserve of commodities to provide an adequate supply of raw materials for use as emergency food or renewable energy.
- (14) We support a good stewardship program that rewards farmers for following conservation practices.
- (15) We urge USDA to work with NFU, other farm organizations and commodity groups to establish a carbon footprint for agriculture. It is imperative that this footprint be established by the ag industry and not be developed by those not associated with agriculture.
  - (a) Carbon sequestration is an innovative way to enhance income for producers and protect our environment. Therefore, the trading of carbon credits and the potential for inclusion of carbon sequestration as an agricultural conservation practice for green payments should be continued and supported.
  - (b) We urge carbon sequestration not be biased toward a single practice, such as no-till, but instead encompass all agricultural practices, including grazing lands, energy feedstock production, organic cropping, wood lots, the Conservation Reserve Program, and other proven conservation methods.
  - (c) We support a national mandatory carbon emission cap and trade system to reduce non-farm greenhouse gas emissions, if agricultural offsets are recognized and USDA is in charge of the agricultural carbon credit program. Additionally, we urge the development of an exchange system to allow for the financial compensation of farmers and ranchers for their environmentally sound practices.
- (16) We support giving the Secretary of Agriculture discretionary authority to institute a short-term inventory management program.
- (17) Because of the current "free" trade environment, we support an international grains agreement to manage supply among exporters of commodities. This is necessary to address world supply and to avoid making the United States a magnet for imports. In addition, we support the establishment of an international food security reserve.
- (18) We support provisions in a farm bill for restoring competition in the marketplace and reviewing

the impact of agribusiness mergers and consolidations on farmers and rural communities.

- (19) We support granting the Secretary of Agriculture the authority to establish an optional paid land diversion program that pays farmers for diverting a percentage of a farm's tillable acreage from production.
- (20) Today's global agricultural economy demands that federal farm policy address issues of trade by ensuring that American producers have the tools necessary to compete in a global market.
- (21) Farm policy should not be developed for multinational corporations, processors, exporters, integrated livestock producers or other similar firms that profit from low commodity prices.
- (22) Attempts to reduce funding through budget reconciliation, diversion of funds to other programs or other program cuts should be prohibited through the life of the farm bill title.
- (23) Farmers and ranchers are tasked with feeding a growing population while also being good stewards of the land. Meanwhile, they continue to be hit with government regulations which increase the cost of doing business with no way to pass on those cost increases. We believe family farmers and ranchers should be compensated for any upgrades, maintenance, and work they do which is specifically required in order to comply with government standards.

#### B. National Marketing Agency

The authority of the Commodity Credit Corporation (CCC) should be expanded to serve as a marketing agency to contract for the export or import of designated commodities and have a board composed of operating farmers elected by farmer producers of those commodities regulated.

- (1) It should develop barter agreements, especially with less developed nations.
- (2) It should enter into long-term agreements and contracts with other nations for the sale of U.S. agricultural exports.

#### C. National Food Security Reserve

National food security reserves must be established for storable commodities to ensure a 45 to 60-day supply to meet domestic and export requirements.

- (1) These reserves are to be carried on the farm or in the country elevator.
- (2) The program should include provisions for continual rotation on a first-in, first-out basis. The release price should be set at a level to ensure that the reserve does not depress the market price.
- (3) The cost of storage is to be determined by the normal charge of storage set by trade practices.

Storage payments to producers should reflect the actual storage costs in publicly licensed warehouses.

- (4) When CCC does not complete grain settlements with elevators and warehouses within 90 days, interest should be paid from the first day.

#### D. Sugar

Effective price support programs to provide security for domestic producers of sugar must be continued. We oppose a federal price cap on sugar.

The farm law should contain provisions for a realistic import quota of foreign sugar and protection from the dumping of subsidized foreign sugar on the domestic market.

USDA should administer the sugar program at no cost to taxpayers. This should prevent any sugar forfeiture to the government and avoid farm program costs.

### **3. VALUE-ADDED AGRICULTURE**

- A. We believe family farmers and ranchers will continue to be impacted by low commodity markets, which leaves them at financial risk. Global competition and international trade rules that favor finished products over raw commodities will also keep profit potential low on the farm. Given these realities, value-added agriculture remains an important tool for producers to gain a more substantial share of the food dollar profits. NDFU will continue to be a leader in value-added agriculture projects and promote opportunities that have the potential to diversify farm and ranch income.
- B. We support the continuing development of fertilizer plants in North Dakota.
- C. We urge the North Dakota Legislature to consider studying the feasibility of a state-owned fertilizer plant.
- D. We support the development of a soybean crush plant in North Dakota.

### **4. SUSTAINABLE AGRICULTURE**

We believe that only the family farm system of agricultural production can truly be sustainable. Sustainable agriculture integrates three main goals – environmental health, economic profitability and viability, and social and economic equity. We believe farmers engaged in sustainable agriculture set out to protect the land, improve their quality of life and enhance the communities in which they live.

- A. We define “sustainable” as relating to or being a method of harvesting or using a resource so that the resource is not depleted or permanently damaged.

### **5. FOOD SAFETY**

We advocate for a food safety system that focuses on prevention of, not reaction to, foodborne illness outbreaks. We urge Congress and federal and state agencies to consider the following to ensure that

such a system will grow consumer confidence in the food supply, while not sacrificing family farm agriculture, by including the following:

- A. Recognize unique circumstances of small- and medium-sized family farms and allow them flexibility in how best to meet food safety standards.
- B. Balance food safety goals with the goals of encouraging food hubs, local foods, and community supported agriculture projects.
- C. Provide standards for manure use and water and soil testing that are consistent with typical agriculture production methods. At a maximum, the requirements should be no more strict than those imposed by the National Organic Program.
- D. Create standards that give primacy for implementation and flexibility to the states.

## **6. ORGANIC POLICY**

We recognize the growing importance of organic family farming. Organic farming is a management-intensive technology, not merely a list of acceptable or prohibited materials, designed to achieve a balance in the agricultural and livestock system similar to that found in natural systems.

We support:

- A. The enforcement and monitoring of the national organic standards promulgated by USDA;
- B. Maintaining and protecting the integrity of organic labeling;
- C. Labeling standards encouraging the sale of organic products while not limiting opportunities to market other natural or sustainably produced food products;
- D. Ensuring accreditation and certification costs do not discriminate against small producers;
- E. Requiring USDA to maintain the role of the National Organic Standards Board (NOSB) as the official source of developing policies and procedures to interpret and implement the federal organic standards;
- F. Maintaining organic livestock production standards that are uniform and account for feeding and animal health care practices for continuous or transitional organic management;
- G. The control of noxious weeds before they go to seed;
- H. The National Organic Program (NOP).

## **7. MARKET CONCENTRATION**

We are opposed to continued concentration in marketing and processing of all agricultural products.

We believe the federal antitrust laws must be strengthened and vigorously enforced to preserve the future of the family farm.

- A. Agencies with jurisdiction should be provided adequate funding and staff to vigorously prosecute the violators of antitrust laws.
- B. We oppose the vertical and horizontal integration of corporations and cooperatives that create unfair competition with family farm operations and local cooperatives.
- C. The use of contracting in crop and livestock production is increasing. In order to protect farmers and ranchers from unfair contracts and other anti-competitive practices, we support legislation creating a contract producer's bill of rights.
- D. We support the funding and enforcement of Grain Inspection, Packers and Stockyards Administration (GIPSA) proposed rules.

## **8. CROP INSURANCE**

- A. In order to adequately cover a farmer's risks, we call for the continuation, improvement and affordability of all crop insurance and coverage on all North Dakota crops. We support maintaining the current or higher subsidy levels for crop insurance.
- B. We call for crop insurance reforms that protect producers against quality losses, including protein discounts, yield reductions and make coverages available up to the cost of production. The effects of quality losses and multi-year claims on production histories must be minimized so that a producer's coverage is not diminished.
  - (1) We support development of affordable supplemental insurance programs to protect producers in the event of natural disasters.
  - 2) We support a policy which covers a certain dollar amount per acre such as hail coverage.
  - (3) The grading of durum for claim purposes should be by durum standards, not spring wheat standards.
  - (4) Pulse crops have become a major part of the crop rotation for producers to aid them in controlling weeds, diseases and fertilizer needs. Therefore, we support the Northern Pulse Growers Association in their effort to improve the rotational restrictions for broadleaf crops now being used by the Federal Risk Management Agency.
  - (5) That RMA recognize the increase in use of cover crops and modify their rules so as not to disqualify a grower from crop insurance if cover crop is seeded before physiological maturity.
  - (6) That RMA recognize the benefits of planting specific cash crops into living cover crops and not

reduce a farmer's ability to obtain insurance for that crop.

- C. We recommend that the rules for crop insurance, once established, should not be changed during that crop year.
- D. We propose permanent disaster protection in the form of increased subsidies of higher levels of crop insurance.
- E. We call for the Risk Management Agency to offer coverage for both non-GMO and organic crops based on both current non-GMO and organic prices and recognize and accommodate the unique production and actuarial experience of producers of certified organic commodities.
- F. We recommend that the Federal Crop Insurance Corporation amend and change their policy language to eliminate their definition of "fire coverage." The definition should include "any non-arson" fire and not "natural occurring," as is the present definition. Additionally, a yield loss caused by fire should not impact a producer's yield history and the producer should be allowed to use that farm's yield average for future crop insurance and farm program calculations.
- G. In order to protect beginning and family farmers and ranchers, we support limiting the overall premium subsidy an individual farmer can receive on federal crop insurance.
- H. We recommend that crop insurance premiums be due December 1st or the date of the last settlement, whichever is later.
- I. We oppose crop insurance eligibility being coupled with conservation requirements. The implementation of mandatory conservation cross-compliance for subsidized federal crop insurance amplifies the everyday challenges farmers face in North Dakota's unique and agriculturally productive part of the country. Prairie Pothole Region farmers need carve-out provisions that put them on a level playing field with other American farmers (many of whom enjoy the benefits of historical draining practices).
- J. Prevented planting provisions in insurance policies can provide valuable coverage when extreme weather conditions prevent expected plantings. To maintain the integrity of the program and avoid abuse, producers should make planting decisions based on agronomically sound and well documented crop management practices. We encourage the Risk Management Agency (RMA) to develop guidelines that are objective rather than subjective.
- K. We urge RMA to develop risk management tools for livestock producers that are subsidized in a way similar to crop insurance.
- L. NDFU supports the study of the use of the Inventory Management Soil Enhancement Tool (IMSET).

- M. We support revisions in crop insurance, possibly by a special provision statement, which would allow farmers to exempt saline acres from crop insurance coverage at acreage reporting time. This would permit a “conservation planting” of salt tolerant crops, such as barley, sunflower, oats, rye or others to be utilized as a remediation crop without requiring it to be insured.

## **9. UNITED STATES DEPARTMENT OF AGRICULTURE**

- A. The Department of Agriculture must be retained and revised to support the American family farmer. We support the efforts to reorganize USDA to a more efficient and farmer-friendly organization.
- B. We urge USDA to better publicize programs that are directly beneficial to agricultural producers.
- C. We favor elected farmer committees to administer farm programs and are opposed to any political appointees to these committees. We strongly recommend that producer rights be protected in USDA. USDA shall establish an appeals system based on fairness and equality.
- D. We urge the United States to adopt a law similar to the present Canadian law, restricting transportation of potential sources of noxious weeds from crossing international boundaries.
- E. We urge USDA to distinguish between imported and American-grown agricultural products in U.S. production numbers.
- F. We propose that federal and state agencies coordinate and share information in order to avoid duplication of services and reduce cost to producers. (For example, Risk Management Agency, Crop Insurance Adjustors, Farm Service Agency, Natural Resources Conservation Service, etc.)
- G. We urge USDA to improve an online web portal so farmers and ranchers may access their records, sign forms electronically and find information about programs in one place;
- H. We oppose mandatory closing or consolidation of FSA or NRCS offices.
- I. We encourage producers to recognize the importance of filling out NASS survey data. This data is used by USDA to determine price and yield information for multiple USDA programs.
- J. We oppose the use of RMA data when determining county yields for ARC-CO. When not enough data is available from NASS surveys, more surveys should be sent out instead of going to another source such as RMA for county yields.

## **10. FEDERAL AG POLICY**

- A. We urge Congress to establish a federal watch dog division that our FSA, NRCS, Fish and Wildlife must be held accountable for their actions in dealing with farmers and rural issues.
- B. We urge the President, Attorney General and Congress to direct the United States Drug Enforcement Administration to differentiate between industrial hemp and marijuana, and adopt a policy to

allow American farmers to once again grow industrial hemp, thereby legalizing the production of industrial hemp and its use in American manufacturing efforts, without requiring DEA licenses.

#### **11. STATE AGRICULTURAL POLICY**

The vast majority of North Dakota's wealth comes from agriculture. The North Dakota Department of Agriculture should have adequate funds available to actively promote the agriculture industry in North Dakota and should have jurisdiction over all agriculture commissions and agencies in the state.

- A. The state of North Dakota should make every effort to develop reciprocal agreements with its neighboring states to provide for livestock brand inspection and disease control measures.
- B. We support movement of public funds collected for brand registration, brand inspections and estrays to be moved to the appropriate state agency.
- C. We support adequate federal, state and county funding and urge strict enforcement of laws that would assure the control of noxious weeds, such as leafy spurge, and insects, such as grasshoppers, on state, federal, public and private land, including conventional and organic farmland, wildlife land, railroad and highway right-of-ways and Conservation Reserve Program (CRP) acreages.
  - (1) We urge increased emphasis in the development of biological controls within coordinated weed and pest control programs.
- D. We urge NDSU, the North Dakota Department of Agriculture, the ND Legislature and SBARE to promote increased livestock production, dairy production, and other alternative livestock production and processing in North Dakota.
- E. We urge North Dakota State University to continue policies supporting family farm agriculture.
- F. Donations made to university and/or college research departments (or given to the college or university and designated for research) must be disclosed to the Board of Higher Education and shall remain an open record, available for public review.
- G. The North Dakota State Mill and Elevator should preferably purchase grain produced in North Dakota.
- H. We oppose any proposal to sell or deplete the assets of the North Dakota State Mill or the Bank of North Dakota.
- I. We recommend that elk, deer, buffalo and other forms of non-traditional livestock, including aquaculture, when raised as privately-owned domestic livestock and part of legitimate agriculture, be recognized as domestic or domesticated livestock by North Dakota and the United States Department of Agriculture, and encourage other individual states to take similar action.

- J. We support maintaining the Pride of Dakota program, which is best managed by the State Ag Department.
- K. We will continue to support the Agricultural Products Utilization Commission (APUC). We recommend continued monitoring of APUC to ensure that the focus remains on providing benefits to North Dakota farmers/producers. We urge the North Dakota Legislature to remove APUC from the budget of the Department of Commerce and return APUC to independent budget line-item status.
- L. We urge that facilities and institutions within the state be strongly encouraged to purchase fuels made and fuels grown and processed within the state. The State should use an incentive program to promote this type of economic development. NDFU should set an example in its food service and meals.
- M. We support honey production and beekeepers alike. We urge that beekeepers are compliant with the state and communicative with landowners and chemical applicators, and keep their hives registered and current.

## **12. COMMODITY PROMOTION AND CHECKOFFS**

- A. Commodity promotion programs can be valuable tools for consumer education and market development. We recommend that research and promotion programs financed through producer checkoffs be closely evaluated to see whether such programs are strictly farmer-controlled. We believe that such programs should include the following criteria:
  - (1) Approval by a majority of producers voting individually in a referendum by mail, with at least 30% of eligible voters participating. The referendum should be held prior to the imposition of the checkoff.
  - (2) Programs being formulated or currently in operation be subject to review at any time on the call of 10% of producers concerned. There should be a reauthorization vote every five years.
  - (3) A procedure be provided to enable producers to obtain refund of checkoff funds without delay or hindrance on an annual basis. Refund application blanks should be provided by the purchasers of the commodity.
  - (4) Criminal penalties be provided for using funds for personal, political or lobbying activities. No funds should be donated or contracts provided to organizations for the use of political or lobbying activities.
  - (5) Changes in existing checkoff programs, including changes in checkoff levies and/or administrative and operational changes, be submitted to the producers affected and subject to approval by a majority vote.

- B. We oppose an increase of the state beef checkoff. If one should be implemented, it must be a voluntary, opt-in choice for individual producers.
- C. We oppose a mandatory national beef checkoff program and support a voluntary opt-in program.
- D. We oppose implementing an additional national beef checkoff until such time that the existing checkoff is reformed or abolished.
- E. We support a cattle producer's right to forward the entire dollar of their national beef checkoff to the Cattlemen's Beef Board (CBB).
- F. Checkoff programs which derive their collection authority from North Dakota law must appear before the appropriate legislative committees to account for the funds expended on behalf of producers before receiving further spending authority. If any organization enters into a contract with such a commodity checkoff program or receives funds derived from commodity checkoffs, that organization must be subject to open record laws and must be accountable to and appear before appropriate legislative committees regarding the disbursement of said funds. Furthermore, donations from said checkoff collected funds to special projects of organizations that lobby or engage in political activities may be considered only if those projects do not conflict with the policies or positions set forth by the elected members of the commodity checkoff program. North Dakota statutorily authorized checkoff monies may not be used to pay other organizations' dues for membership in national associations or their programs, websites, etc. Checkoff funds from farmer commodities shall not be used for lobbying group agendas, where they are unaccountable to North Dakota farmers.
- G. The budgets and use of funds of commodity checkoffs must maintain at least 60 percent for research and development.
- H. We oppose the merger of U.S. Wheat Associates and the National Association of Wheat Growers into one organization.
- I. Farmers Union supports legislation that mandates election of the ND Beef Commission, by checking off participating producers within their respective representative districts.
- J. We oppose any beef checkoff dollars being appropriated to the United States Farmers and Ranchers Alliance (USFRA) and strongly urge the U.S. Secretary of Agriculture to prohibit such expenditures.
- K. We urge the National Farmers Union to act as a contracting agent for the National Beef Checkoff whenever possible.
- L. We oppose private organizations managing state and national-collected funds.

### **13. COMMODITY RESEARCH AND DEVELOPMENT**

- A. We recommend that USDA fund on-the-farm research and demonstrations that are being implemented by farmers.
- B. We urge the North Dakota Legislature and the governor to support the funding of agricultural research. Recognizing the adverse economic impact on North Dakota, we support stepping up research and increasing funding for combating crop diseases. We support continuation of the NDSU Extension Service in a form that best serves the needs of North Dakota.

Funding for agricultural research should be primarily from state and federal public funding sources. We urge that any research generated at public research institutions remain in the public domain.

- C. We support the Northern Crops Institute and urge that its budget and appropriations continue to be kept separate from North Dakota State University's budget and that it maintain a producer board.
- D. We urge that the royalties received by NDSU for the sale of protected varieties of seed be used strictly for research and development of new or improved seed varieties and that a financial report be published once a year.
- E. We urge research and orderly development of alternate crops and alternative uses of agricultural commodities. We support the implementation of identity-preserved marketing systems to help the farm producer retain more of the income from marketing alternative crops into niche markets.
- F. We oppose patenting of any life forms.
- G. We support increased funding for research for combating all crop diseases and pests.
- H. Publicly funded and other agricultural research at our land grant colleges should not promote the industrialization of agriculture. For example, biotechnology can be a tool for either the advancement of family farm agricultural systems or industrialized agricultural systems. Such technologies must be carefully monitored to ensure that they are not destructive to family farm agriculture, farm stewardship, open agricultural commodity markets and our rural communities.
- I. We support the United Nations' treaty for plant genetic resources for food and agriculture.
- J. We support the Pulse Health Initiative for pulse crops.

### **14. COMMODITY MARKETING**

- A. We request the Department of Agriculture's reporting service to furnish accurate and timely reports on world and domestic crop conditions, supplies and needs of exporting and importing countries to producers, as well as the grain trade.
- B. We urge federal legislation to direct bankruptcy courts to recognize warehouse receipts and sales

tickets as proof of ownership of stored grain to ensure that farmers holding these would not see their interest come in second to those of other creditors in cases of elevator bankruptcy.

- C. We urge the establishment of a federal storable commodities insurance corporation to guarantee that each farmer will be protected for each commodity stored, delivered or contracted to licensed commodity dealers.
- D. We call for continued Congressional monitoring of all commodity exchanges and futures contracts, including derivatives.
- E. We support the Livestock Marketing Fairness Act requiring a fixed base price in formula contracts and requiring that contracts be traded in open, public markets.
- F. We believe that commodity markets, in order to more accurately represent the true relationship between supply and demand, should have reforms. These reforms include:
  - (1) Guarding against insider trading by individuals or firms that possess foreknowledge of significant price changes due to large market transactions.
  - (2) Examining and investigating the role of increasing market power funds, the connections between the funds and large commercial interests, and the ability of these organizations to exchange resources and information for the purpose of driving down commodity prices, and thus lower the prices farmers are paid for their products.
  - (3) Monitoring and guarding against proposals by the commodity futures exchanges impacting trading rules and trading limits that would increase market volatility to the detriment of agricultural producers.
- G. Farm commodities should be priced according to commonly understood measures of weight.
- H. We urge development of a universal grain grading and testing system which is binding to both the buyer and seller.
- I. We oppose any privatization of federal grain inspection services.
- J. We urge the Federal Grain Inspection service to regulate the falling numbers grain grading criteria that is currently being used.
- K. We urge that oil, protein, moisture testers and truck scales be checked and calibrated on a regular basis by state or federal departments of grain inspection or weights and measures.
- L. A premium equal to the shrinkage loss should be paid at market price to a farmer for grain testing at lower than the dry grain moisture standard for such grain.

- M. We urge all grain inspection services, individual elevators, and RMA standardize vomitoxin testing to ensure validity and accuracy.
- N. We urge the development of testing equipment that accurately tests for vomitoxin at the time of delivery.
- O. We urge research to be done on vomitoxin in order to verify if current standards on levels of human and animal consumption can be relaxed without compromising food safety.
- P. We support a program of education in all marketing tools including the risks/benefits of each tool.
- Q. In the event of credit-sale contracts, we support requiring those who write the contracts to obtain credit-sale bond coverage. We also favor increasing the bonding requirements for grain and livestock buyers operating in the state of North Dakota with that money being administered by a state-run bonding agency.
- R. We support the continuation of an indemnity fund with a cap of 50 million dollars for grain credit sales and delayed price contracts in order to provide protection to credit sale patrons in insolvency cases. Funding should be generated by an assessment to the producers who take the credit sales and delayed pricing contracts.
- S. We recommend the grain elevator indemnity fund provide guarantees as follows for each deferred payment contract:
 

Loss	Coverage
\$100,000 or less	100%
\$100,001 to \$200,000	90%
\$200,001 to \$300,000	80%
\$300,001 to \$400,000	70%
- T. Mechanisms should be in place to protect producers against losses associated with pre-pay sales.
- U. We oppose any effort by USDA to withhold licensing of state elevators also licensed by individual states.

**15. LABELING OF COMMODITY PRODUCTS**

- A. Although we prefer mandatory country-of-origin labeling for agriculture products, we would support voluntary country-of-origin labeling. In order to qualify as U.S. produced, meat products (including fish) must come from an animal born, raised and harvested in the U.S., and fresh produce and peanuts, pecans and macadamia nuts must be exclusively grown and processed in the U.S.

Additionally, we believe dairy products should also be included in COOL. Country-of-origin labeling is a valuable marketing tool for producers and it allows consumers to know where their food is produced.

We urge Congress to uphold mandatory COOL and NDFU supports USDA's 2013 rule change that requires labeling of production steps – “born, raised and harvested – for muscle cuts of meats to ensure consumers are getting accurate information.

- B. North Dakota Farmers Union encourages reimplementing mandatory COOL through the NAFTA negotiations.
- C. We recommend that the trademark (Real Seal) continue to be used on all food products containing dairy products. We also request that the word “milk” be used only on products coming from an animal. Those products coming from plants would be labeled as a beverage.
- D. U.S. producers must comply with rigorous standards regulating food production in our country, including application and use of pesticides and herbicides, minimum wage requirements, working conditions, housing, conservation and inspections of food production. We recommend all food products should be labeled to list the ingredient's nutritional value and country of origin. Canned, fresh and frozen products should be dated when packaged. We endorse uniformity in product claims, such as “light,” “low fat,” etc.
- E. We support the “Pride of Dakota” promotion program.
- F. We recommend that food products be labeled with the correct ownership of the parent company and country of origin. The seal should be plainly visible to the consumer.
- G. We encourage the freedom of agricultural producers and processors to accurately advertise, label and promote products as hormone-free, antibiotic-free, non-genetically altered or exceeding national organic standards.

## **SECTION II. INTERNATIONAL COOPERATION AND THE FAMILY FARM**

The goal of the United States in international trade and political relationships must be to stabilize world agricultural production and ensure that all of the world's populations have adequate food to meet daily human nutritional needs.

As a leading exporter of food into the world market, the United States must recognize that any unilateral action it takes will have profound effects on international food trade and will significantly impact food producing and importing nations, especially developing nations.

The United States must use its leadership role as a food producer to develop responsible international trade policies and to increase world food security through cooperative agreements among nations.

### **1. INTERNATIONAL TRADE**

- A. We believe that expansion of trade can only be achieved by first stabilizing current trading conditions. The unregulated free trade system of the United States is a dangerous destabilizing force in world food production which will lead to boom and bust market cycles for producers and price swings for consumers.
- B. Exporting at less than the cost of production is a purposeful short-changing of producers to the benefit of the grain trade. Cost of production includes, but is not limited to uniform working conditions, labor laws and equal treatment of the environment regardless of political borders.
- C. We have concerns about the definitions of trade-distorting subsidies as addressed by the U.S. Trade Representative. These definitions could eventually include all state and federal programs that provide regulatory, economic and social services to rural areas.
- D. We call for attention on the following trade issues.

Support for:

- (1) Trade as long as it is fair trade. We support a fair trade system that strengthens the health, environment, food sovereignty, working conditions and labor rights of all countries. Vibrant national economies are essential to a healthy global community.
- (2) The use of an end-use certificate for any grains or livestock coming into the United States.
- (3) The U.S. EPA sharing testing procedures with our trading partners so that our producers are not put at a financial disadvantage.
- (4) Harmonization of farm chemicals in price and usage between the United States and other countries. We support the concept of the chemical harmonization program.

- (5) Ending the embargo and normalizing trade relations with Cuba.
- (6) All existing quarantine requirements be strictly adhered to as set forth by USDA/APHIS regarding imports of livestock, livestock products (i.e. boxed beef), and other commodities.
- (7) Transparent competitive market principles and adequate antitrust/anti-collusion measures.

Opposition to:

- (1) The Trade Promotion Authority System for ratification of trade agreements in which the entire trade package must be approved without amendment or rejected in total by Congress within a 60-day time limit.
- (2) Embargoes on farm commodities. In the event of an embargo, we urge Congress to require that 100 percent of parity price supports be automatically triggered.
- (3) The strong-arm tactics of today's ag chemical companies in regard to patent infringement laws.
- (4) The World Trade Organization (WTO) and its current methods of trade negotiation. We oppose proposals that call for a worldwide decoupling and dismantling of domestic farm stabilization programs.
- (5) Defining trade-distorting subsidies to include state and federal programs that provide regulatory, economic, and social services to rural areas.
- (6) Predatory marketing practices that cause a decline of market competition.

## **2. AGRICULTURAL TRADE AGREEMENTS**

The measure of the success of a trade agreement has to be its benefit to agriculture and family farmers and ranchers' net income. Our trade negotiators need to recognize that food security is non-negotiable for many trade partners, and that they will never agree to give us full market access.

We call for a formal, thorough analysis of current agricultural trade agreements to determine their success at meeting their stated goals before any new bilateral or regional trade agreements are negotiated or approved.

We support trade laws, agreements and treaties that ensure:

- A. The right and ability of the United States and other nations and their political subdivisions to maintain and operate policies and programs that protect their interests of public health, safety, welfare and services.
- B. Transparent and competitive market principles as well as adequate oversight of antitrust/anti-collusion practices, competition practices, elimination of predatory practices and investigation into continuing decline of market competition.

- C. Imported commodities and products are subject to inspection and testing to assure that they are mined, grown and/or produced under standards that are consistent with all domestic laws and regulations.
- D. Any agreement affecting trade that does not undermine the laws, jurisdiction or sovereignty of a country and its political subdivisions. The importer and/or seller of any commodity, product or service should be liable for any violation of domestic laws and regulations, with jurisdiction and venue for such legal challenges residing in the pertinent domestic court.
- E. All products, services and commodities that are imported shall be purchased in an open, competitive and transparent market system.
- F. All imported products have an identified fair market value that may be used as the basis for an infrastructure tax.
- G. Quotas and/or tariffs on any commodity or product of any country when currency exchange rate differences put domestic producers at a competitive disadvantage.
- H. Any agreement that is negotiated and enacted through a transparent democratic process.
  - I. The outlawing of export subsidies that allow dumping of agricultural products into the international marketplace at less than the cost of production.
- J. A high standard of health, sanitation and environmental standards to upgrade and bring the quality of agricultural commodity imports to at least the standards required of United States' producers and processors due to concerns of bioterrorism and food-borne illness. We also support the recognition of the right of nations to develop their own domestic food security and supply-management programs.

Due to the recent concerns with poor quality standards of products made and exported from China, we call for stricter enforcement of inspections.
- K. The development of international pricing agreements with minimum and maximum price levels fair to both producers and consumers.
- L. The establishment of an international food and energy reserve program to provide food aid to the hungry, to manage any surplus production in case of international disaster, to ensure supply for renewable energy programs and to hold excess surpluses in good production years. Both export and import countries would share in the costs of managing and maintaining reserves.
- M. Reciprocity in trade that addresses massive U.S. trade deficits.

Opposition to:

A. The North American Free Trade Agreement

We call upon Congress to closely monitor the North American Free Trade Agreement (NAFTA) and its side agreement. Therefore, we support reintroduction of the NAFTA Accountability Act.

We urge agricultural producers of all three nations to find avenues of cooperation that will be mutually beneficial in stabilizing production and prices and in exporting our production into the world market.

B. Canadian Free Trade Agreement

We request Congress monitor the flow of agricultural products from Canada under the existing Free Trade Agreement. We oppose any accelerated tariff reductions on agricultural products moving from Canada into the United States.

We call for a Congressional investigation into the formula and the calculations used within the existing Free Trade Agreement to determine the level of agricultural subsidies in each country. We believe the formula and the calculations to be detrimental to U.S. producers.

C. Dominican Republic-Central America Free Trade Agreement (DR-CAFTA), and Australian Free Trade Agreement (AFTA)

We call upon Congress to closely monitor DR-CAFTA and AFTA and advocate for accountability for each agreement.

D. We call upon Congress to monitor the Trans Pacific Partnership (TPP) in order to control currency manipulation, committed by foreign governments, which results in adverse effects to United States' producers.

## **SECTION III. LIVESTOCK DEVELOPMENT AND THE FAMILY FARM**

### **1. DAIRY POLICY**

U.S. dairy producers provide a high-quality, stable supply of dairy products to consumers. Dairy producers in turn need to receive a profitable return on their investment.

We urge Congress to develop a comprehensive dairy program that will create an equitable means of pricing milk that does not disadvantage dairy producers. This policy should:

- A. Call for a single nationwide milk marketing order. Location specific differentials as part of the federal restructuring of the milk market order system should only be adopted if the differentials are coupled with a base price on all classes of milk.
- B. Support legislation to clarify that milk protein concentrates (MPCs) are the concentration of milk proteins from fluid milk. Milk proteins from reconstituted products (powdered milk products) cannot be considered a concentrated product and therefore classified as a remanufactured milk protein powder and be assessed a tariff similar to other imported milk powders.
- C. Provide transparency in milk price reporting.
- D. Include a base price policy for milk. The base price should help producers in all regions of the country and provide for supply management. The base price should be set at a level that allows producers to earn a fair return on their milk from the marketplace.
- E. The DIAP (Dairy Import Assessment Program) should remain a part of the U.S. Dairy Policy.

We support North Dakota policy that includes:

- A. The diagnostic team approach and encourage its expansion to all family-operated livestock and dairy farms in North Dakota.
- B. The development of a dairy specific financing program through the Bank of North Dakota for family-owned dairies.
- C. Promoting the development of dairy processing in the state of North Dakota.

### **2. LIVESTOCK**

Livestock production is essential to the well-being of North Dakota. North Dakota Farmers Union actively promotes the development of livestock production in North Dakota as a vital component in maintaining a healthy agriculture sector.

Our organization will remain a leader within the livestock industry, actively promoting its growth through leadership programs, business ventures and responsible livestock policy.

This policy should:

- A. Favor the humane treatment of animals and encourage open dialogue with animal welfare groups; however, it should urge caution in passing laws regarding animal rights so that sound management practices are not adversely affected.
- B. Favor continuation of livestock grazing on federal lands and maintaining reasonable grazing rates to continue a viable livestock industry.
- C. Support the dissolution of the monopoly that major meat packers have and the control they have on finished livestock inventory.
- D. Support mandatory price reporting by meat packing plants.
- E. Support like-minded livestock organizations.
- F. Oppose the USA beef industry being referred to as a North American herd.
- G. Oppose a ban on the slaughter of horses.
- H. Urge the Department of Justice to investigate the regional livestock monopoly and livestock monopoly practices.
- I. Favor the LIP (Livestock Indemnity Program) of the Agricultural Act of 2014 and ELAP (Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish Program). We recommend the authorization of increasing the cap of \$20 million of CCC funds for eligible producers to \$50 million in a fiscal year for the ELAP.
- J. Urge in a time of disaster/severe drought that USDA release CRP land for haying and grazing at the same time, and to do so as soon as disaster/drought is recognized.

### **3. LIVESTOCK PRODUCTION RECOMMENDATIONS**

We recognize that family farm agriculture and good sound environmental practices need to work together. Our policy encourages a well-balanced, sensible environmental policy that protects the public and the environment without unduly burdening family farmers through excessive regulation or economic hardship.

#### **A. Implications of Scale**

Livestock manure is a valuable resource that provides essential nutrients to crop land. However, when livestock manure is concentrated into large volumes, improperly stored, transported, or disposed, it can have a negative effect on the environment. The issue of scale is critical in determining the levels of risk associated with manure management, and therefore paramount in the development of policy. Matching the appropriate regulatory control to the appropriate scale may be key in designing appropriate livestock manure management practices.

The large amount of manure generated by livestock production presents a considerable manure management challenge. In addition to the detrimental effects large quantities of manure can have on land and water, there are also concerns that manure containing bacteria, viruses, and other possibly harmful organisms released into the environment in huge volumes could lead to public health issues.

However, there is general concern that any additional regulations aimed at agriculture would lead to costly and intrusive measures for all producers that could force small to medium-sized producers out of business.

We support a tiered system that determines the degree of regulation by the size of the operation.

#### B. Federal Regulation

The Environmental Protection Agency has established national standards for large-scale confinement operations or CAFOs (Confined Animal Feeding Operations). Because there is a great variance in environmental conditions from state to state and even within each state, broad national guidelines may not be appropriate for every location.

We support national minimum guidelines or standards that give primacy for implementation and flexibility in regional planning to the states. A national policy should discourage polluters from “shopping” among the states for the lowest environmental standards and encourage states and localities to establish standards beyond the federal minimums.

#### C. State Regulation

- (1) We support state standards that are on a graduated system of at least three tiers, small, medium and large. They should be implemented with a sliding scale of standards that address each size operation.
- (2) We urge the North Dakota Department of Health to issue rules for large CAFOs that prohibit locating over glacial aquifers, require bonding and provide an opportunity for a public vote through the administrative process.
- (3) North Dakota should safeguard the right of political subdivisions to enact and enforce their own zoning ordinances and we strongly encourage all townships and counties to establish their own standards, so long as minimum state requirements are met.
- (4) We support the North Dakota Department of Health’s Model Zoning for Animal Feeding Operations (AFOs).

#### D. Specific Recommendations for Large-Scale Facilities:

- (1) Because technology exists that reduces environmental impact, enhances the quality of life for

neighbors and communities, and encourages increased production, we support using a high standard of technology for manure storage. New and expanding large scale operations should be required to utilize new technologies.

- (2) In order to protect the rights of both farm and non-farm citizens, we support setback distances. New facilities should be located at a setback from existing residences (residence on the facility not applicable), businesses, churches, schools or public use areas. Conversely, existing operations should be protected from encroaching development.
- (3) Permit applicants must prepare and submit a manure management plan containing detailed information regarding proposed method of distribution (optimum crop schedule, timing and location of applications, calculations about how much land is necessary for application, methods to reduce/eliminate potential water pollution and odor, and detailed records for 3-5 years following application detailing methods and dates of application).
  - (a) Application of manure should be injected or incorporated into the soil wherever possible. Aerial spraying of liquid manure should be prohibited with the exception of gray water.
  - (b) Manure should not be applied in such a way as to cause contamination from run-off.
- (4) Permit applicants for a large scale facility must serve notice to the public describing the type of facility to be constructed, the type of manure to be generated, the manure handling treatment to be used, a legal description of the property, and notice of a public comment period. Applicants must develop a “baseline” for monitoring future water/soil quality. In addition, all managers/operators must complete training in manure management and odor control.
- (5) Permit holders must disclose the number of animals within a facility upon request. The Health Department should develop a policy that includes nursing animals in permitted amount of animals.
- (6) Annual, unannounced inspections of operations including independent testing of water quality.
- (7) “Bad Actor” legislation allowing the state to reject permits from producers who have a poor environmental record (habitual environmental damage) or whose permit has been revoked in another state.
- (8) Facility closing requirements that ensure proper clean-up if they cease operating. This would require total removal of manure and contaminated soils within a specified period after closure and revegetation within three years of closure.
- (9) Existing operations should be required to comply with new rules within a certain amount of time with no grandfather clauses.

(10) In order to protect taxpayers, permits should require financial assurances including proof of liability insurance to a determined amount, net worth, or adequate bonding.

(11) Increase the statute of limitations for the nuisance law.

(12) Provide penalties for violation of state and local CAFO regulations.

#### **4. LIVESTOCK HEALTH**

- A. We support the continuation of the North Dakota Voluntary Johne's Disease Testing Program.
- B. We support the right of meat processors to voluntarily test animals for diseases such as BSE to meet the enhanced requirements of value-added markets.
- C. We support the Board of Animal Health's effort to monitor bioterrorism within the livestock industry.
- D. We are opposed to closing or relocating the Plum Island Research Facility.
- E. We support the producer's right to use antibiotics, other products and animal livestock technologies that have been proven safe, on an "as needed" basis.
- F. We oppose the use of antibiotics in animal feed for the purpose of weight gain. Protecting against antibiotic resistance is a key issue farmers and ranchers need to be aware of and should act as advocates promoting efforts to protect the public and provide a safe, reliable food supply.
- G. We encourage all livestock producers to develop professional relationships with their veterinarians to learn more about the rules of the Veterinary Feed Directive.
- H. We support the National Scrapie Eradication Program.

#### **5. CONSUMER PROTECTION**

- A. We support stronger measures which would prevent market manipulation by entities through inconclusive testing of agricultural products (false BSE tests). Any release of information should be based solely on final, scientific, and positive testing.
- B. We need strict enforcement of trade laws and labeling laws to provide protection to consumers and livestock producers from the importation of livestock diseases such as Bovine Spongiform Encephalopathy (BSE), tuberculosis, foot and mouth disease (FMD) and other communicable diseases.
- C. We support the ND Beef Quality Assurance Program.
- D. The food industry continues to develop methods that are intended to eliminate the threat of food borne illness from our food supply. Irradiation is a new technology, and North Dakota Farmers Union recognizes this process as a tool to protect consumers against harmful pathogens; however, our

organization urges all applications continue to be evaluated as to its overall impact, including any health and safety issues that may arise due to the new technology.

## **6. ANIMAL DISEASE TRACEABILITY**

NDFU supports an animal disease traceability program if the following points are met:

- A. Has the least possible cost to producers.
- B. Encourages full participation and shared responsibility throughout the industry.
- C. Provides adequate liability protection fire walls including, but not limited to, an exemption from the Freedom of Information Act.
- D. Is conducive to the collection of data that will be compatible with, and complementary to, the country-of-origin labeling (COOL) law.
- E. The animal disease traceability program releases information only for confirmed cases when an animal health problem arises necessitating an animal be traced to its source.
- F. Establishes an educational component within the program to educate producers on current requirements.
- G. Provides for animal identification records being maintained only by USDA, funded only by USDA-APHIS and administered and maintained by state boards of animal health and not by private organizations.

## **SECTION IV. RURAL DEVELOPMENT AND THE FAMILY FARM**

The key to successful rural development is to stabilize, strengthen and build upon the agricultural base and the family farm structure of rural America. Economic diversification must be a supplement to, not a substitute for, a healthy agricultural economy and a strong family farm system.

The creation of agricultural opportunities for a new generation of beginning farmers must be a central component of rural development.

The organization of cooperative enterprises which retain equity, control, benefits and ownership for agricultural producers within rural communities is a proven self-help, home-grown rural development mechanism which builds needed economic infrastructures for rural people.

We recommend a loan program for farmers to invest and build producer-owned, value-added co-ops to gain economic independence and spur rural economic development.

Access to credit, technical expertise and markets are essential ingredients in securing opportunities for rural and agricultural enterprises.

We call for a new partnership in which our federal and state governments and rural people can develop together the full potential of rural America's human and natural resources.

### **1. FARM SERVICE AGENCY (FSA)**

A. The Farm Service Agency (FSA) should:

- (1) Provide ag credit only to family-sized farm operators who cannot obtain financing elsewhere.
- (2) Provide supervised loan programs to beginning and other family farm operators.
- (3) Provide long-term real estate loans to be graduated to commercial credit at the end of ten years. The interest rate and repayment schedule would be adjusted to build an adequate equity base during the initial ten-year period and be based on the producer's annual net farm income and production. The graduation could be postponed in case of economic hardship.
- (4) Provide production (operating) loans with adjusted interest rates and repayment schedules in accordance with the producer's production and income.
- (5) Be authorized to develop innovative programs of finance and assistance for land transfer between generations and for establishment of new farm units, such as Land Link.
- (6) Work closely with state programs designed for beginning farmers and be able to supplement and guarantee such state programs.

- (7) Make land and improvements within FSA inventory available to eligible farm families.
  - (8) Restructure FSA loans with borrowers' rights and protections in mind. Restructuring opportunities provided by law should be preserved for family farmers.
  - (9) Consider applications promptly, with responses reported to the applicant as quickly as possible. Present FSA loan limits should reflect land values and provide opportunities for additional family farmers.
  - (10) Discontinue the phase-down of direct FSA loans. We call upon Congress to increase the appropriations and allocations toward a direct loan program.
  - (11) Raise the direct loan limit for operating and farm ownership at FSA from \$300,000 to at least \$1 million.
- B. In cooperation with other ag lenders, FSA should streamline and standardize their forms to provide more ease and uniformity in their credit evaluation process.
  - C. We urge USDA to consider the relevancy of information that is required to be provided during sign-up for farm programs. We support efforts to enforce payment limitations.
  - D. We call on Congress to appropriate additional funds to adequately staff and maintain current FSA offices.

## **2. FARM CREDIT SYSTEM**

We reaffirm our commitment to Farm Credit System (FCS) and its local cooperative associations. FCS is an essential service that must be maintained as a financially sound source of agricultural credit.

- A. We urge FCS to provide member-borrowers full access to their individual case files.
- B. We urge FCS to give its greatest priority to fully coordinating its credit services to assist its family farm member-borrowers.
- C. We urge the Farm Credit Administration to increase the authority of local boards of directors so that FCS' lending policies adequately reflect member control.
- D. We oppose any restructuring of the farm credit system which dilutes farmer ownership of their cooperative credit organization or replaces farmer-elected members of system boards with commercial bankers. We believe that the ability of the system to access the agency market for funds must be protected to ensure that the FCS continues to serve as an alternative source of credit for producers.

### **3. RURAL CREDIT AND NORTH DAKOTA**

The state of North Dakota has a responsibility to use its resources and authorities to the fullest extent to assist family farmers.

- A. We favor continuation of the North Dakota Mediation Service. We urge continued use of the Farm Credit Review Board as a base for providing a coordinated and consolidated set of services to farmers. This agency should also be the primary vehicle for state funded or sponsored credit programs of operating and real estate loans to financially distressed farmers. We urge the legislature to provide both adequate funding and authority to ensure the effectiveness of this agency. We urge the Industrial Commission to appoint representation from both North Dakota general farm organizations.
  
- B. We believe the Bank of North Dakota should focus its resources to its primary mission as stated in the Bank's philosophy: "To deliver quality, sound financial services that promote agriculture, commerce and industry in North Dakota." Therefore, the State Industrial Commission should use its authorities and the Bank's capabilities to maintain and develop programs that assist family farmers.
  - (1) We support the use of the one-stop capital center.
  
  - (2) The Bank of North Dakota and the Board of University and School Lands should continue to make maximum funds available for farm real estate loans for family farmers.
  
  - (3) We recommend the expansion of the Bank of North Dakota's beginning farmer programs. These programs should provide a reduced, fixed rate of interest for at least the first ten years of the loan.

### **4. FARM DEBT REORGANIZATION**

- A. We call for continued policies of forbearance and restructuring of loans. We urge restraints in the quantity of farm debt write-down.

### **5. RURAL REVITALIZATION**

- A. Grants and low interest monies should be made available for the revitalization of business areas in our rural communities.
  
- B. In recognition of the interdependence between the family farm and the independent rural community business, we urge our fellow members to patronize rural town businesses that share our common goals and issues.
  
- C. We call upon our organization to confer with farm, cooperative, government and business organizations to develop programs to revitalize the economy of the Great Plains region. We encourage NFU to initiate a National Rural Summit.

D. We urge cooperatives and other businesses to process farm products close to the production areas as a means to support and build the economies of our rural communities.

E. Economic Development should:

(1) Be more open and receptive to rural and urban taxpayers concerns and inputs.

(2) Have clearly defined goals, objectives, processes and policies.

(3) Require companies receiving economic development incentives and taxpayer subsidies to pay wages at least 125% of the federal poverty level.

(4) Have clawback provisions if companies don't live up to their promises of job creation, retention and wages.

(5) Support legislation to mandate accountability of city and county economic development corporations.

F. We support the effort to maintain the Adult Farm Business Management education program in North Dakota. Continued support through the State Board of Career and Technical Education is necessary to allow local school districts to provide this valuable and necessary program of adult education.

## SECTION V. COOPERATIVES AND THE FAMILY FARM

The promotion and encouragement of farm cooperatives should be emphasized as an effective means to increase farmers' bargaining power.

We reaffirm our belief in the cooperative principles, including:

- one-member, one-vote
- open membership
- competitive prices
- autonomy and independence
- concern for community
- continuous expansion
- continuing education
- patronage refund
- limited return on investment
- cooperation among cooperatives
- political and religious neutrality

We believe cooperatives should set aside the full amount of educational funds permitted by law.

### 1. **CAPPER-VOLSTEAD ACT**

- A. The rights of agricultural producers to act together to handle, process and market agricultural products through cooperative activity, as guaranteed under the Capper-Volstead Act of 1922, must be continued. These same rights should be formally extended under law to farm supply and consumer cooperatives.
- B. The rights of cooperative members to organize and operate regional and interregional cooperatives (marketing agencies in common) or to merge with other cooperative associations, should not be restricted by law or government regulation. However, we are not in favor of regionals absorbing local cooperatives until other options of maintaining local control have been exhausted, including merger or joint venture with a nearby cooperative. When necessary for a regional to absorb a local cooperative, we strongly urge every effort would be made by the local members or a nearby cooperative to purchase the cooperative back when it is feasible. We demand that regional cooperative boards work together, and with local cooperatives, to help them continue operating for the benefit of the members while still following all cooperative principles.
- C. The responsibilities of administering the Capper-Volstead Act should remain with the U.S. Department of Agriculture.
- D. Because cooperative businesses are member-owned and controlled, we oppose any governmental regulation which would infringe upon the rights of cooperative members to determine the policies or operation of their cooperative.
- E. Value-added cooperatives maintaining cooperative principles of member-ownership and control should be supported by North Dakota Farmers Union.
- F. We are opposed to Unincorporated Cooperatives that undermine the Capper-Volstead Act.

## **2. MEMBER INVESTMENT RIGHTS**

Farmers have the right to invest in their cooperatives in accordance with the Rochdale principles. Federal or state governments have no right to single out the investments made by farmers in their own cooperatives for special restrictions and penalties.

## **3. CONDUCTING COOPERATIVE BUSINESS**

- A. Patrons should take an interest in the business operation of their cooperatives and should attend annual meetings to receive directors' and management reports.
- B. Members of boards of directors should be elected from among the members; persons carefully selected who have sound business judgment, Farmers Union philosophy, and who will not use their position for personal advantage. Ideally, the elective process assumes more than one candidate for each position. We recommend patrons elect nominating or candidate search committees.
- C. Directors should set policy and direction for the cooperative. Managers should be charged with the responsibility of managing day-to-day operations. To ensure that directors of cooperatives are responsible to their member-patrons, only member-patrons should be involved in the selection and election of directors. Delegates representing co-op members must be regular voting members of that cooperative and should be elected by the members.
- D. Directors' fees should not be subject to Workers Compensation tax and benefits or any other salary-related tax deductions.
- E. Either spouse should be able to represent the family farm in voting at cooperative meetings. We encourage both spouses to become voting members of cooperatives.
- F. We are opposed to a cooperative forming a public corporation in order to sell stock on Wall Street as a means to raise capital. This is a departure from cooperative principles. We oppose the regional cooperatives leasing or purchasing property from local cooperatives and delivering products directly to local co-op patrons.
- G. We urge systematic retirement of patronage stock so the capital requirements of co-ops are provided by the current member-users of the co-op.

## **4. CO-OP AFFILIATIONS WITH FARMERS UNION**

### **A. Patronage Responsibility**

- (1) Every member of Farmers Union should buy every possible supply, sell all possible products and buy all possible insurance and other services from Farmers Union member-owned or affiliated business activities and cooperatives.

## B. Affiliated Co-op Responsibilities

- (1) Farmers Union-affiliated cooperatives should buy products and services locally whenever possible to further local and/or state economic development.
- (2) We ask CHS, Inc., to continue to support their cooperative foundation. They should work to remain loyal to cooperative principles and remember the importance of grassroots members and their input.
- (3) We oppose CHS' involvement in out-of-country corporate farming practices which competes with U.S. farmers.
- (4) We oppose CHS and other federated cooperatives from using their scale and wholesale pricing power to unfairly compete with their member cooperatives. These cooperatives should also not share wholesale sales information with their retail divisions in order to avoid a conflict of interest.

## C. Common Ties

- (1) The growth of Farmers Union cooperatives and the Farmers Union organization has occurred through common efforts which have proven to be mutually beneficial. Members should take concerted action to prevent disassociation between Farmers Union and cooperatives and to maintain the common Farmers Union identity. We further recommend that members elect delegates and directors who would maintain the relationships between these farmer institutions.
- (2) We invite our affiliated cooperatives to submit resolutions to the Policy and Action Drafting Committee as a method to increase communications between Farmers Union and the cooperative sector. This would promote a closer working relationship on legislative issues.

## D. Educational Funds and Dues Checkoffs

- (1) A basic means of accomplishing closer relationships between Farmers Union and Farmers Union business activities is the payment of five percent of net earnings to educational funds and checking off dues by cooperatives. Educational funds and dues checkoffs are the lifeblood of our youth program and of the cooperative philosophy.
- (2) We encourage the prompt payment of dues through checkoffs so that membership may never be delinquent. We urge our regional cooperatives give every assistance in extending these practices to every cooperative in the state and help facilitate the use of checkoffs through data processing where it is already part of the bylaws.
- (3) We urge CHS to continue financial support for local and regional cooperative education even if local cooperatives merge and become a part of CHS.

- (4) County Farmers Union organizations should encourage cooperatives and their patrons not now affiliated with Farmers Union to check off dues and pay educational funds to the Farmers Union as an effective means of building a farm organization for their own protection and existence.
- (5) We urge that county organizations use their resources to sponsor local seminars on issues affecting their co-ops.
- (6) We encourage county boards to have annual planning sessions with directors, managers and employees of area cooperatives concerning common problems and the use of educational funds.
- (7) We urge the Board of Directors of NDFU to pay for one board member of the non-affiliated cooperatives to the state convention as a guest.

E. Dakota Pride Cooperative

- (1) We support continuation and expansion of Dakota Pride Cooperative.

**5. COOPERATIVE FINANCING**

- A. We support the current 50% membership criteria for CoBank borrowers.
- B. We request legislative authority for the Bank of North Dakota to issue bonds for the purpose of loans at reduced interest rates to cooperative elevators constructing subterminal facilities.
- C. We oppose any effort of CoBank to lend money to non-cooperative agribusiness.
- D. We urge that federal funding programs be initiated along the lines of the original REA program, now called the Rural Utility Service (RUS), to assist farmers in forming value-added cooperatives.

**6. CREDIT UNIONS**

- A. We encourage the organization and growth of credit unions.
- B. We oppose any effort to impose income tax on member-owned nonprofit credit unions.
- C. We support maintaining the National Credit Union Share Insurance Fund as a separate and independent agency from other federal deposit insurance systems.
- D. We support the right of all Americans to choose how and where they deposit their earnings and transact their personal financial business.

**7. COOPERATIVE MERGERS AND CONSOLIDATION**

- A. Retaining local cooperatives is the last hope of survival for many communities. We urge that local

cooperatives consider sharing services. North Dakota Farmers Union, including local and county units, should assist in information and research.

- B. All joint ventures between a cooperative and a multinational corporation should still return to the original cooperative principles and significantly benefit members of the cooperative. We oppose all mergers between a cooperative and a multinational corporation.
- C. The State and National Farmers Union organizations should use whatever influence they have to seek enforcement of the laws currently in place that limit monopolies and restrict mergers.

**8. QUENTIN BURDICK CENTER FOR COOPERATIVES**

- A. North Dakota Farmers Union is a long-time supporter of the Quentin Burdick Center for Cooperatives, which provides educational opportunities in the cooperative business model. We urge continued financial and human resource involvement in this important organization by NDFU.

## SECTION VI. LAND RESOURCES FOR THE FAMILY FARM

Recognizing that land is essential to family farmers and is a finite resource, we believe the following policies must be instituted to equitably share the opportunities of land.

### 1. LAND OWNERSHIP

- A. Farmland must be controlled by family farmers. Laws should prohibit concentration of farmland ownership by corporations, associations, and off-farm interests. We call for strict enforcement of our state's corporation farming laws. These laws must be closely monitored and strengthened so they may continue to preserve production agriculture for family farmers.
  
- B. We believe the anti-corporation farming law as initiated in 1931, which was expanded in 1981 to allow incorporation of farms by close relatives, should not be further weakened to give additional advantages to non-family farm units or to allow the control of agricultural production to move to off-farm interests.
  - (1) Lands acquired by corporations through mortgages must be divested within a maximum of three years, with an extension of another two years, if leased back to the previous owner.
  - (2) Nonprofit corporations should be allowed to receive land through gifts, estates, etc., but be required to divest themselves of such land within five years. We urge that legislation for ensuring that land mandated for divestiture be sold to family farmers.
  - (3) We oppose the purchase of North Dakota farmland by environmental groups, investment groups and other outside investors. In the event of such purchase, the taxable valuation for property tax purposes shall be no less than the purchase price.
  
- C. We support provisions of the state's corporation farming law which prevents corporations and non-farming cooperatives from vertically integrating into the production of agricultural commodities.
  - (1) We support state and federal legislation to define and protect farmers' rights in contracting for agricultural production with commodity buyers, processors and other corporations.
  - (2) Any partnership, limited partnership, limited liability partnership, limited liability limited partnership, corporations or cooperatives engaging in the business of agriculture production must be required to disclose all partners, limited partners or stockholders to the Secretary of State of North Dakota.
  
- D. We support the existing law restricting non-resident aliens from owning land in North Dakota and call for similar legislation on the federal level. We call for legislation that will require better reporting of such purchases and stronger enforcement by the Attorney General.
  
- E. Governmental entities which have acquired private lands must be required to pay in-lieu-of property

taxes amounting to 100% of the taxes which would normally be assessed on such property.

## **2. LANDOWNER RIGHTS IN NATURAL RESOURCE DEVELOPMENT**

We support a comprehensive policy that protects landowners from speculation and unfair contracts in the development of natural resources.

### **A. Prohibition of Non-Disclosure or Secrecy Clauses in Leases**

Non-disclosure clauses serve only to protect the interests of the contractor/developer. Landowners should be allowed to review leases with attorneys, lenders and other holders of leases to ascertain the relative value of a lease offer.

### **B. Establish a Registry of Current Standard Leases and Make Accessible to the Public**

A registry allows landowners to compare offered leases with standard leases and better ascertain the relative value of a lease offer. Allows landowners to compare other lease terms with standard leases.

### **C. Prohibit Mandatory Arbitration Clauses**

Mandatory arbitration requirements are becoming more common in contracts. Prohibiting such clauses in contracts will ensure the right of civil litigation for landowners in lease disputes and helps balance the legal interests of landowners and developers.

### **D. Limiting Length of Lease Options**

Limiting the term of lease options will prevent companies from tying up large tracts of land for extended periods, thus encouraging use of lease options for actual development instead of speculation.

### **E. Authorize Collective Bargaining of Leases**

Allows landowners to bargain collectively for standard lease terms throughout a region or development project. Such a provision would encourage fairness in the application of lease terms among multiple landowners.

### **F. Bonding and Reclamation Protections**

(1) Encourages responsible energy development and transmission at outset of lease by providing funds up front for reclamation of land after the project has expired.

(2) We support the requirement that private surface owners be granted the same surface use and reclamation requirement as the State Land Department mandates for state land.

(3) Any reclamation standard should include materials incidental to energy development (e.g. pipelines, saltwater disposal systems).

### **G. Prohibit Prior Investment as Condition of Lease or Option of Fulfillment**

Discourages use of option development to coerce investment by landowners.

#### H. Farmland Protection

Prohibits farmland ownership by energy development or generation companies. Compliance with North Dakota's corporate farming law would ensure that agricultural land remain in the hands of producers and retains the agricultural value of the land used in energy development.

#### I. Prohibit Right of First Refusal by Developers

Developers should not be able to obtain the right of first refusal in lease options/contracts. Right of first refusal allows a developer to tie up land, and/or reduce marketability of landowner's land without purchasing an option. For example, a developer may purchase options on four out of eight sites on a farmer's property and then takes right of first refusal on the remaining four. Basically, the developer has a de facto option on the remaining four without having to purchase the lease option. The marketability to other developers is reduced because the first developer has the first chance to develop the property.

#### J. Disclosure of Actual Lease Payments in Contracts

Requires that actual lease payments, potential premiums and formula used to determine said premiums be established and disclosed as a condition of a final lease agreement during negotiation of a contract.

#### K. Three-Day Cooling Off Period

Allows three-day cooling off period after lease agreement is signed. This allows landowner a window to reconsider if, for example, his attorney has an objection to the contract language.

#### L. Prohibition of Severability of Surface Rights and Wind/Carbon/Mineral Rights.

Land ownership should not be severed from natural resources associated with the surface.

#### M. We recommend there be a provision for a Pugh clause in natural resource development contracts.

#### N. Damage Compensation

We support a damage compensation law that compensates farm operators and landowners when any drilling plans, pipeline, land disturbance or other resource development affects water, property and other interests.

#### O. We support allowing the ND Mediation Service to settle disputes between property owners and energy companies.

### **3. MINERAL RIGHTS**

A. Our goal is the restoration of severed mineral rights to the surface owner.

B. We favor legislation prohibiting credit institutions from separating mineral rights from land that they acquire through foreclosure or other means.

C. Owners of severed mineral interests and the lease companies should be required to pay for or

reimburse the surface owner for the additional costs and expense paid by the surface owners in re-certification of their abstracts of title.

- D. We urge legislation to divide the present real estate tax so that a percentage would be paid by the surface owner and a percentage be paid by the mineral owner. If the mineral owner should become delinquent in payment of this tax, the severed mineral acres shall be returned to the surface owner upon payment of the delinquent tax.
- E. We recommend that all mineral leases require a royalty payment to the surface owner, as well as to the mineral owner.
- F. We oppose the State of North Dakota trying to acquire mineral right interests under the high water mark of any North Dakota waters.
- G. We support the establishment of an independent oversight study to gauge the compliance with current oil and gas regulations.

#### **4. LAND USE**

- A. We support a comprehensive statewide land use policy with township and county zoning programs to protect agriculture's economic interest and to assure a maximum amount of fertile land for future production of food and fiber. We endorse a land use policy that secures private ownership and proper use of land with minimum government interference. We emphasize that the township and county zoning programs should be the only governing programs regulating zoning.
- B. We support land appraisals being conducted by independent third-party entities and not land management companies who rent out land on behalf of the owners.
- C. We urge legislation that establishes and maintains a central location for a database of zoning ordinances that are created by political subdivisions (i.e. counties, cities and townships).
- D. As farmers and ranchers, we reserve the right to determine the use and future use of our land. We need to explore options that will combine the best management of our land with the best economic decisions for our farms. North Dakota Farmers Union recognizes that easements are one tool farmers may employ to meet both objectives, however, we are opposed to perpetual easements.
- E. Lands acquired for wildlife should be subject to the same obligations to provide routing for utilities, highways, waterway maintenance and other public uses as are privately-owned lands.
- F. Eminent domain should be reserved for public projects. Where eminent domain proceedings may eventually be used, individual notification and public hearings must be held before the project is allowed to be implemented. Severance damages should include payment for the diminution of remaining land values and increased expenses and inconvenience suffered by affected landowners and operators. All initial court expenses, including attorneys' and appraisers' fees, must be borne

by the constructing agency in condemnation proceedings. Consideration should be given to routes which minimize adverse human impact.

- (1) Increased economic activity, improved economic utilization, increased tax revenues which benefit the public good or other similar language are not sound justifications for the use of eminent domain and should not be allowed to be defined as such. These represent an unjustified taking/conversion of personal property.

- G. We support the preservation of section line identity by state and local governments.
- H. We support archaeological preservation; however, we oppose any act or regulation that creates undue burdens upon local governments and local producers. Therefore, if archaeological surveys and mitigation of sites on private property is a requirement of the federal or state government, those costs should be paid for by the federal or state government.
- I. We oppose any resolution requiring a tribal monitor to accompany NRCS cultural specialists on all cultural resource inventories conducted, unless the tribe covers their cost.
- J. We oppose the Forest Service range and environmental impact statement on the national grasslands, since it creates economic hardship for communities, counties and livestock producers. Since livestock producers have a good track record in conservation, we urge that future draft proposals be accomplished with proper range research and that livestock grazing be given equal consideration with other multiple uses on the national grasslands.
- K. Companies laying pipeline or burying cable must be responsible for spraying weeks before excavating, planting a cover crop on the disturbed soil and mandatory controlling of weeds for three years to prevent the spread of noxious weeds.

## 5. LAND TRANSFER

- A. We recommend a state program to facilitate transfer of family farms from one generation to the next. We encourage all members to explore estate planning and transfer of property.
- B. We recommend that coal companies sell back land in the same size or smaller parcels than the land originally purchased from the landowner.
- C. We favor the enactment of federal and state tax incentives for landowners to sell or lease land to beginning or smaller-than-average-sized farmers.
- D. We oppose landowners retaining "hunting rights" after selling their land.
- E. We support the transfer of property from the Corps of Engineers to the original owners or heirs of land taken above the high-water mark in riparian areas or land taken when the Garrison and Oahe Dams were built.

## SECTION VII. NATURAL RESOURCES AND THE FAMILY FARM

Public and privately-owned land, mineral and other resources should be conserved and administered in the interest of all people.

### 1. SOIL AND WATER STEWARDSHIP

A. Land and water stewardship is part of the social contract between food producers and the rest of the society. Producers have a responsibility to maintain and improve the productivity of the land. In return, they should be rewarded for their stewardship by farm programs which provide a prosperous livelihood for the farm family.

B. Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) should work to achieve the mutually beneficial objectives of proper stewardship and the maintenance of family farm agriculture.

#### C. Conservation Planning

(1) A conservation plan should be jointly developed by the farm operator and the Natural Resources Conservation Service (NRCS) for each farm unit. This plan should designate which highly-erodible soils should not be tilled and which can be tilled with approved conservation practices. The plan should clearly map and document both existing and drained wetlands, as well as any drains and channels. The plan should consider all soil conditions in the conservation of the wetlands, as well as the maintenance of existing drains and channels.

(2) Such a conservation planning system should replace the existing sodbuster and swampbuster provisions and should be supervised and approved by the Farm Service Agency (FSA) committee process, with the technical assistance of the NRCS.

(3) Producers should be allowed to remedy inadvertent or unavoidable failures to carry out conservation plan practices. Otherwise, penalties should be based on the degree of the violation. Loss of full federal farm program benefits should be imposed only in cases of purposeful destruction of conservation practices.

#### D. Conservation Funding

(1) We believe family farmers and ranchers are stewards of the land – that is, we are aware of our impact now and on future generations. We strive for a balance of natural resources and production of food and fuel. That balance is a difficult one to strike, and that's why we are concerned how the word "conservation" is defined and who defines it.

(2) We believe that any funding of conservation projects, including projects funded by grants from the oil extraction tax, must meet the following parameters:

- (a) Oil extraction and production taxes should first be used to address infrastructure, emergency services, education, water, and safety needs.
  - (b) Any such fund must not be enshrined in the constitution. Doing so limits the opportunity for public debate and ties the hands of the people.
  - (c) The fund must be capped, so that we can continue to evaluate and fund our state's priorities over time.
  - (d) The governing structure must include agriculture's voice; NDFU specifically must have a seat at the table.
  - (e) The funding opportunities must be made available for programs meeting all definitions of conservation, including stewardship practices on working lands, such as tools that enhance soil health, water quality, plant diversity, and animal systems. These working lands projects should receive priority consideration.
  - (f) We also advocate that the fund be forward looking, not only from a conservation perspective but also from a land use perspective. Any such funding must not be used to acquire land. Further, it must not tie up land for more than 20 years.
- (3) From a family farm or rancher's perspective, the land is our livelihood and our legacy. Any public funding for conservation must strike a balance to protect both.
- (4) We urge that half of the funds allocated to the Natural Resources Trust Fund should be designated as a soil conservation trust fund to assist agriculture producers.
- (5) We support adequate funding for soil conservation districts.

## **2. CONSERVATION RESERVE PROGRAM**

Conservation programs should be good for the environment, reward stewardship, discourage speculative development of fragile land resources, strengthen family farming and enhance rural communities. The Conservation Reserve Program should be extended, providing that:

- A. The most environmentally-sensitive land be given first opportunity for extension.
- B. There are incentives to aid beginning farm and ranch families in obtaining land leaving the Conservation Reserve Program.
- C. The new CRP payments be based on local rental rates.
- D. There should be stricter criteria for land to be eligible for CRP. There need to be limits on how much land can be enrolled in CRP in a particular area to limit the impact CRP has on rural communities.

CRP should not be a retirement program for farmers. Whole farms should not be able to be enrolled. There should not be more than 35% of the tillable acres in a farm unit enrolled in CRP.

- E. CRP acreages need to be closely monitored by NRCS with enough funding to enforce contract requirements for adequate weed, insect and fire control, and mandatory noxious weed control.
- F. In times of a disaster declaration, all interested livestock producers must apply to FSA for the opportunity to hay or graze CRP lands. Applications must include a three-year history of livestock animal units. Haying or grazing shall include all program contracts and should be conducted in such a manner as to enhance feed quality and minimize negative impact on wildlife. Areas outside the severely affected areas should be allowed to donate only to the severely affected counties without reduction in payments.
- G. We recommend that all CRP, WRP, etc., be allowed to be hayed or grazed every other year to reduce the amount of dead grass/vegetation that would promote additional kindling/fuel for wildfires, which would also increase biodiversity.
- H. Conservation Reserve Program funding should not be taken from farm support payments/deficiency payments.
- I. In the case of an existing grass stand, CRP acres that are to be re-enrolled should not have to be reseeded or interseeded with other grass types.
- J. Land managed with appropriate organic standards while enrolled in CRP should be eligible for organic certification upon leaving the program.
- K. We support the establishment of a short-term conservation reserve program of 3-5 years for land that has temporarily lost productivity.
- L. At this time, virgin ground needs to be in production for 3 years before being eligible for the CRP program. We propose that it be changed to a minimum of 10 years before it qualifies for the program.

### **3. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM**

The federal program provides cost share for conservation practices that improve groundwater quality, plant diversity, wildlife habitat, animal waste systems and conversion of existing irrigation systems. These are all statewide resource concerns that have been prioritized by the State Technical Committee. The Committee has determined that animal feeding operations are a priority for EQIP funding. We support this program and urge that funds be targeted to small and medium sized farms and ranches.

### **4. SOIL AND WATER MANAGEMENT**

- A. We favor allowing county FSA committees the flexibility to adjust the rules for CRP and for cover crop on conserving acres to fit into programs already being used by individual farms to control erosion.

- B. We favor continuation and increased federal and state funding of agricultural conservation programs (ACP) and the Natural Resources Conservation Service (NRCS) be kept as a stand alone agency.
- C. To encourage more tree plantings, we encourage FSA to include the cost of tree maintenance for the first ten years after planting as part of its cost-sharing program.
- D. We support the Small Watershed Program for proper water management.
- E. Administration of swampbuster provisions should be regulated by one government agency to ensure that agricultural concerns are fully considered. We strongly support flexibility to allow channel maintenance and clean-out, maintain proper water management and provide an economic incentive to the landowner for retaining wetlands.
- F. We urge that multiple use of federal rangelands be closely monitored to ensure that agricultural usage is maintained at present levels in relation to recreational and other resource usage.
- G. We oppose the wilderness designation of land in North Dakota.
- H. We urge the North Dakota Legislature to continue a program in ND to address the soil salinity problem. Salinity specialists should coordinate educational and research efforts among NDSU, Extension, Soil Conservation Districts, NRCS, farm and commodity organizations and others.
- I. We recommend detailed soil surveys and groundwater surveys for our entire state and urge the Legislature to fund these projects.
- J. NDFU supports adequate funding of the Conservation Stewardship Program (CSP) EQIP and other conservation programs.
- K. We urge NRCS to implement the CSP program as it was originally designed to reward good stewardship and to provide incentives for enhanced conservation efforts.

## **5. WETLANDS POLICY**

- A. Wetlands of less than one acre should not be under any jurisdiction by state or federal agencies.
- B. The exemption of Type 1 wetlands from swampbuster provisions is a must.
- C. When dealing with farmland, primary consideration should be given to the economic impact on agriculture.
- D. Landowners should be able to move water within the boundaries of their property without regulation, interference or easements.
- E. We support no net gain of wetland acres.

- F. We urge no net gain of wetland acres in mitigation banking.
- G. We urge funding of the federal and state waterbank programs to eliminate the need for federal acquisition of wetlands.
- H. Any policy developed should recognize the function of wetlands as an agricultural property.
- I. Water outside the boundary of a wetland should be considered sheetwater and not subject, under any circumstances, to jurisdiction by state or federal agencies.
- J. We oppose the Corps of Engineers being given jurisdiction over farmed wetlands.
- K. We oppose the use of special interest groups making wetland determinations.
- L. Federal agencies should be consistent with rules they use to determine wetlands, as well as wetland management practices. The rules should be based on sound science.
- M. The NRCS wetland mitigation process needs to be a simplified process that should be finished within one year.
- N. We urge NDFU to study and hopefully to implement a plan for creating a wetland mitigation bank, even if an easement is required.

## **6. RURAL WATER FUNDING**

- A. We encourage adequate state and federal funding to support affordable rural water systems, including grants to cities.
- B. We encourage the education of all North Dakotans on the need for a clean, safe and plentiful supply of water.

## **7. STATE WATER POLICY**

Since our state's water belongs to all the people of North Dakota, the North Dakota Water Commission should manage our water resources to the greatest advantage to our citizens, with all areas of the state being given equitable consideration.

- A. We call for adoption of a comprehensive state water policy which will allow North Dakota to claim its rightful share of water resources.
- B. We support funding for water projects by the federal government due to the long-standing commitment that was made to the people of North Dakota for diversion of Missouri River water.
- C. We believe supplemental state funding of water development projects to be in the best interest of North Dakota.

- D. The Devils Lake Basin continues to have problems with excess water and flooding. We support the outlet that would bring water levels down to 1,446 feet above sea level in a responsible manner for stabilization and emergency relief, as long as the quantity of water being sent downstream is controlled.
- E. The state should take over partial responsibility for the design, construction, operation and maintenance of the Garrison Diversion project main delivery system; the objective being to make Missouri River water available to the Sheyenne and Red River Valleys, the Devils Lake Basin and the Oakes Test Area along the James River.
  - (1) Garrison Diversion should be primarily a federally funded responsibility and we urge its continued funding.
- F. We urge that in water and wetland disputes, an unbiased third party be used, such as the North Dakota Mediation Service.
- G. We support better water management by local, state, federal and international officials to prevent flooding.

**8. FEDERAL AND STATE WATER DEVELOPMENT**

- A. We urge adoption of the following order of preference in the use of Missouri River water:
 

(1) domestic and municipal consumption	(4) industrial consumption
(2) agriculture	(5) wildlife and recreation
(3) hydroelectric power	(6) navigation
- B. We oppose the federal government (Army Corps of Engineers) charging storage fees for North Dakota water.
- C. We oppose the use of prime farmlands for flood control projects wherever possible. We favor floodways which require less land acquisition for project works and wildlife mitigation than large dam projects. We favor zoning laws prohibiting construction in flood-prone areas. We oppose the use of land for the purpose of staging or storing of flood waters as an element of a flood control project, without the consent of the affected landowners. If consent is received, adequate compensation must be provided; including damages relating to delayed or prevented planting and/or harvesting of crop, hay or pastureland.
- D. When flood control measures such as dikes, river diversions and dry dams that affect prime ag land are proposed, the entities promoting the project must have a detailed independent study of the watershed and how the proposed project will affect prime ag land. Then the entities promoting the project must use these studies to locate the project to minimize the affect on prime ag land over other factors.
- E. We oppose broadening the definition of what waters are covered under the Clean Water Act.

- F. We are opposed to the broadening of the federal government's jurisdiction over a group of waters, such as the entire Prairie Pothole Region, simply because the bodies of water are near each other.

## **9. FISH AND WILDLIFE**

- A. An upper limit must be established on the total acreage controlled in North Dakota by private, state and federal fish and wildlife agencies. Land acquisitions, easements, mitigation acreages and wildlife projects must be reviewed in the context of a statewide wildlife resources conservation and development plan which is coordinated among the various state and federal agencies. The plan must take into account the agricultural and environmental characteristics of the different regions of the state. An appeal system based on fairness and equity shall be established.
  - (1) The State Industrial Commission, with the advice and consent of county commissioners and other appropriate public officials from the affected areas, should have final review of land acquisitions, easements, etc., in relationship to the statewide wildlife plan.
- B. We support legislation that would require the U.S. Fish and Wildlife Service (USFWS), ND Game and Fish Department (NDGF) and all other public agencies to disclose the actual number of acres within their control, including, but not limited to, owned land, easements, water acres, land acres, refuges and all other tracts.
- C. We support legislation which would require USFWS and NDGF to disclose all donors and all funding they receive as cost-sharing, matching funds, or in-kind contributions from all private or public entities.
- D. All wildlife easement contracts taken by the U.S. Fish and Wildlife Service in North Dakota should specify the exact wetlands included under the contract and be renegotiated every 15 years or less or upon change of ownership. We oppose the granting of perpetual wetland easements to the Fish and Wildlife Service.
- E. We oppose the Fish and Wildlife Service imposing easements on any property acquired by FSA or any government agency.
- F. We support the comprehensive delineation of pre-1976 easements in order to specifically and definitively determine what land is currently under easement with the U.S. Fish and Wildlife Service.
- G. No governmental agency should exercise the power of eminent domain in obtaining any acreage for mitigation and wildlife. Such acreage should only be obtained on a willing seller basis.
- H. We support a control and compensation program for crop and livestock damages by wildlife, including the issuance of extra hunting licenses year round to landowners in areas of severe wildlife depredation. These licenses could be used for personal use or resale by the landowner. We further support a bounty program to control predators within the state, funded by the state.

- I. We encourage Game & Fish to issue the appropriate amount of deer and moose licenses per unit to manage deer and moose populations in that unit.
- J. Any land or restrictive easements held by any government entity should be subject to paying in-lieu-of property taxes amounting to 100 percent of taxes due on that property.
- K. We are opposed to the introduction of non-native fish species into our state's natural waters unless such species are approved by the American Fisheries Society and the North Dakota Legislature. We support the ongoing efforts to limit the entrance and spread of aquatic nuisance species (ANS) in North Dakota.
- L. We recommend that the Fish and Wildlife Service be allowed to burn only if no one can use the grass for haying or grazing. We commend the Fish and Wildlife Service for allowing haying and grazing.
- M. We encourage legislation to limit/restrict the powers of U.S. Fish and Wildlife and the North Dakota State Game and Fish Department and to reorganize these departments to be more cooperative with farmers and ranchers.
  - (1) We encourage the Game and Fish Department, wildlife and conservation groups to communicate with landowners and landowner groups to work toward building a better relationship between the hunter and landowner.
- N. We oppose the boundary fencing policy of the Corps of Engineers and the North Dakota Game and Fish Department in the fencing of Lake Sakakawea and Lake Oahe.
- O. We oppose the use of social security numbers on hunting and fishing applications and licenses.
- P. The number of mountain lions are increasing and are a threat to North Dakotans and their livestock. We would like the ND Game and Fish Department to manage numbers as appropriate.
- Q. Due to the increase in waterfowl, the waterfowl hunting season should not restrict any hunter from participating in the full season, including out-of-state hunters.
- R. We recommend a percentage of all hunting license fees be paid to counties and townships for maintenance of roads and the eradication of noxious weeds.
- S. We support the North Dakota Landowner-Sportsman Council and hunter safety programs in their efforts to encourage good hunting practices and respect for property rights and urge increased funding for the Hunter Safety Program.
- T. The landowner or operator should not be held liable for accidents occurring as a result of hunting, visitation or trespassing on their property.

- U. We believe that all private land should be considered "POSTED." NDFU supports the property rights of landowners.
- V. The endangered species issue requires a balanced and fair resolution which protects the environment, while at the same time considering the economic impact on agriculture and other institutions.

#### **10. STRIP MINING AND OIL EXPLORATION**

- A. We believe continuing research and reviews of reclamation methods must be ongoing in order to improve the productivity of reclaimed mined land. Modern conservation techniques, which improve the productivity of specific problem areas, should be part of an improved reclamation plan.
- B. We urge the Legislature to direct the PSC to set a timeline for completion of reclamation and final bond release once mining has ceased.
- C. The State Industrial Commission should supervise the site restoration required of oil development and exploration firms.
- D. NDFU supports efforts to protect existing water sources from damages related to seismographing activities. We support efforts to restore the 1,320 foot setback requirements from all wells, springs and farmsteads.
- E. We support increasing the notice requirement for seismograph testing to at least 30 days to allow for wells to be tested prior to seismograph testing.
- F. We are concerned about the potential environmental damage caused by coal bed methane production and development, and urge environmental impacts be studied prior to permits being issued.
- G. We are concerned about the potential environmental damage caused by runoff of surface water from oil production locations onto surrounding farmland, and urge regulation by the appropriate state agency.
- H. We support a study resolution to research and provide recommendations addressing the problems with the current regulations that oversee saltwater disposal systems.
- I. The use of hydraulic fracturing is an important component in oil drilling and exploration. We propose that the names and origins of all chemicals used in that process must be identified as safe with the state and that list be made available to the public before they are used.
- J. We encourage the state to develop policy overseeing a safe, efficient and organized pipeline gathering system for oil, gas and saltwater lines, including pipeline monitoring and leak detection systems.
- K. North Dakota law requires the director of Oil and Gas Division (regulating agency) to carry out the duties of the director of Mineral Resources Division (promoting agency). We urge that the North

Dakota Legislature separate the duties of promoting petroleum and regulating petroleum in order to create a checks and balance system that will fully protect the rights of landowners separately from promotion.

#### **11. RESOURCE DEPLETION AND IMPACTS**

The agricultural, economic, social and environmental impacts associated with energy development must be considered an energy production cost. State or local government should not be asked to subsidize energy consumers by accepting such cost.

- A. The coal severance tax must be maintained over the coal conversion tax so the economic benefits may be realized within the state. North Dakota should establish a severance tax based on a percentage of the average cost of coal as determined by a state assessor at the mine mouth.
- B. We urge the use of a portion of the oil extraction fund monies to fund research and development of renewable energies.

#### **12. ENVIRONMENTAL ENHANCEMENT**

Our land, air, water and soil provide us with the ability to survive and require greater care as population increases.

- A. We need more information and education concerning the present condition of our water supply and what we can and should do to prevent any further contamination.
- B. The practice of weather modification should be continually monitored and information provided to the public about the effects weather modification technologies have on our climate.
- C. We urge that any standards applied to farm fertilizer and chemical run-off should also be applied to all users of chemicals and fertilizers.
- D. We urge all public facilities to recycle whenever possible.
- E. We urge legislation that would encourage recycling, including scrap metal, in North Dakota. We also urge greater use of biodegradable products.
- F. We favor legislation to prohibit the sale of beverages in non-returnable and non-recyclable containers and the institution of a deposit fee to provide a strong incentive for their return.
- G. We believe that farmers, chemical manufacturers and the N.D. Department of Agriculture should be involved in finding solutions, including recycling, for the proper disposal of crop protection containers.
- H. We support the disposal of old and unlabeled crop pesticides under Project Safe Send and urge the North Dakota Legislature to fully fund Project Safe Send.

- I. We are opposed to the importation of out-of-state waste, hazardous or otherwise.
- J. We are opposed to the transportation of food products in containers that have carried incompatible substances such as toxic chemicals or waste.
- K. We strongly urge our country to refrain from signing environmental treaties, such as the Kyoto Protocol (global warming treaty), with other countries without extensive research and open debate within the United States.
- L. We are concerned about the growing number and application of regulations concerning storage and use of farm fuels and chemicals. We urge review of these regulations, development of a clear and concise guide to aid compliance with sensible regulations and removal from the law of those regulations which are not enforced.
- M. We urge Congress to pass legislation to exempt agriculture from the EPA fuel oil storage rules.
- N. We urge the Environmental Protection Agency (EPA) to place more emphasis on preliminary planning assessment with the states and tribes before expanding the Visibility Protection Program through the addition of the regional haze concept, and to repropose a rule addressing a more reasonable and realistic approach to the issues of regional haze.
- O. We encourage EPA to adopt the North Dakota Health Department's finding, utilizing actual air quality monitoring data and improved computer modeling, that the State of North Dakota is in compliance with all EPA air quality requirements for Class 1 areas.
- P. We recommend that the implementation of federal regulations for air quality by the EPA at coal power plants be stopped and allow Congress and the State of North Dakota to set regulations for emissions from coal-fired power plants.
- Q. We support EPA regulation of coal ash as a non-hazardous waste, and strongly oppose the proposal that EPA regulate coal ash as a hazardous waste. Coal ash has beneficial uses as a product in highway and building construction, and recycling coal ash is often a better alternative than impoundment as an industrial waste. If regulated as a hazardous waste, the beneficial uses of coal ash would be severely curtailed.
- R. NDFU encourages all government officials to visit North Dakota coal-fired power plants, which are some of the cleanest in the world.
- S. We strongly urge mandatory eradication of noxious weeds on oil well locations to prevent spread of noxious weeds onto private farmland and keeping weeds under mandatory control before going to seed and becoming a tumbleweed, causing deterioration of fencelines and farmyards.

## **SECTION VIII. ENERGY AND THE FAMILY FARM**

Energy is vital to securing our nation's need for food and fiber. This nation must establish a long-range national energy policy that emphasizes conservation and wise use of our energy resources. We must renew national efforts to reduce our reliance on imported energy and move toward greater energy self-sufficiency.

North Dakota Farmers Union supports a balanced, comprehensive energy policy which seeks energy independence for the United States, protects our nation's environment and recognizes the special needs of America's agricultural sector. In addition, a national energy policy must reverse the trend toward concentration of ownership and control of sources, production and distribution of energy.

In order to reduce our dependence on fossil fuels, development of renewable sources of energy must be a priority. This must include economic and technical assistance for family farmers wanting to transition into increased application of alternative forms of energy.

Growth and development of our renewable energy has great potential to provide additional income to North Dakota's family farmers and ranchers. In addition, our cooperatives can play a leading role in the distribution and marketing of these energy products.

### **1. NATIONAL ENERGY RESERVE**

#### **A. Strategic Petroleum Reserve**

Petroleum supply disruptions represent a direct threat to this nation's national and economic security. They are particularly difficult for farmers and those in rural areas who bear the burden of crisis-driven price increases long after the actual disruption. Therefore, we urge prioritization of agricultural petroleum supplies at competitive prices. These supplies are necessary for the uninterrupted production of our nation's food supply. We believe it is essential that Strategic Petroleum Reserve supplies be allocated to cooperative and other independent domestic refineries at equitable prices at the early stages of any supply disruption.

#### **B. Renewable Energy Reserve**

We support the creation of a renewable energy reserve to help alleviate our dependence on nonrenewable energy sources and reduce price-depressing supplies of wheat, feed grains and oilseeds.

### **2. ENERGY DEVELOPMENT**

#### **A. Public Power and Resource Development**

- (1) Feasible hydroelectric sites should be investigated for public power projects organized to fully develop and protect all power, irrigation, water utilization, recreation, navigation and other uses.
- (2) Due to the shortage of electric energy in certain parts of the country, we encourage federal funding for the upgrade and development of transmission lines.
- (3) Consumer cooperatives and public agencies should be given priority in the allocation and

development of publicly-owned energy resources and in research for new energy sources on a deferred bonus or royalty basis to allow these entities to compete for this source of energy.

- (4) We support development of a state-funded refinery in North Dakota, similar to the State Mill and Elevator.

## B. Research and Development of Alternative Energy Sources

We are concerned over our dependence on non-renewable and imported fuels that place our national security in jeopardy. Therefore, we encourage and support research and development of innovative and renewable energy sources such as solar, photovoltaic cells, fuel cells, micro turbines, geothermal, wind, hydrogen, methane, ethanol, biodiesel, solid waste fuels and other renewable, non-polluting energy sources. We support incentive programs for the production of biofuels.

### (1) Wind Energy Development

- (a) We recognize North Dakota's vast wind resources and urge development of the state's enormous potential for electricity generation from wind.
- (b) Number one in wind resources, North Dakota has the ability to supply a significant amount of the nation's electricity needs from our wind; therefore, wind energy holds new income potential for farmers and rural landowners. Because of the income potential for agricultural producers, we encourage efforts to educate North Dakota farmers about their wind rights and issues.
- (c) When wind energy leases have had no action taken on them after three years, the contracts should be considered ended. When a wind turbine is no longer producing power for one year, the turbine needs to be removed and the land reclaimed at the expense of the wind turbine/energy company. We need to have state laws concerning zoning regulations describing borders, setbacks and so forth.
- (d) We support the protection of landowners by requiring wind turbine energy companies to purchase a "Decommissioning Bond" at the time of construction. We support the option of the landowner taking ownership and removing it themselves.
- (e) Wind tower setbacks should be a minimum of one-half mile from an occupied dwelling unless consent is given by all affected property owners within the setback.
- (f) We call for the state of North Dakota to encourage all state agencies and institutions to purchase a portion of its total energy from wind energy generated in this state.
- (g) We support the landowner's ability to "pool land" with other landowners in an attempt to negotiate better terms and be more involved in the development process.

(2) Coal Byproduct Development

We support the continued operation of the Dakota Gasification Plant for its contribution to the future energy independence of our nation and because of the additional research information it will provide.

(3) Ethanol Development

- (a) We support the use of ethanol and encourage education as to the benefits of its use.
- (b) We support continued state and federal assistance for alcohol-blended fuels, provided such alcohol is produced and sold in the state of North Dakota from products grown in the United States. Such assistance should be funded from general revenues so that all North Dakotans contribute to the growth of this industry.
- (c) We believe that the state has an opportunity to press forward and become one of the leading states who use ethanol. Therefore, we support the requirement of all gasoline sold in North Dakota (except aviation fuels) to be blended with at least 15 percent ethanol.
- (d) We are opposed to the market concentration within the ethanol industry and encourage the development of cooperative facilities.
- (e) We support allowing Ethyl Tertiary Butyl Ether (ETBE) refiners the ability to claim the ethanol excise tax exemption at the blend point.
- (f) We encourage passage of national energy legislation that does not exempt manufacturers from liability related to Methyl Tertiary Butyl Ether (MTBE).
- (g) We support domestic production of ethanol in the most efficient manner with use of U.S. grown crops.
- (h) We call for ethanol-blended gas to be used in all state-owned vehicles.
- (i) We call for full implementation of the RFS as written and dictated by the original congressional mandate. Any attempts or decisions to reduce ethanol use requirements by administrative agencies or Congress should cease or be returned to their original levels.
- (j) We support the use of blender pumps. The state of North Dakota and our cooperatives have invested heavily in blender pumps. We strongly urge CHS to accommodate local cooperatives' use of blender pumps.
- (k) EPA and all government regulators should immediately reverse statements that say or even indicate it is illegal for so-called non-flex auto owners to fuel with blender (flex) pumps' E30.

(4) Biodiesel

- (a) We support the use of biodiesel and biodiesel-blended fuels to increase national security, increase farm income and improve the environment.
- (b) We encourage North Dakota to take the lead in the use of biodiesel. We support the requirement of at least a two percent blend in all diesel sold at pumps in North Dakota.
- (c) We support biodiesel research and development of oilseed crops and animal byproducts for use as biodiesel alternative fuels.
- (d) We encourage NDFU to take a lead in the development of the biodiesel industry in North Dakota through leadership and potential investment.

(5) Biofuel

- (a) We strongly urge CHS, Inc. to promote the use of biofuels and provide consistent and competitively priced supplies to our local co-ops.

(6) Solar

- (a) We support rural electric cooperatives with research on solar energy and commend them on their investments.

C. Coal

We support the use and development of coal as a low cost and reliable source of energy.

**3. ENERGY COSTS**

- A. We continue to strongly oppose any violation of the long-standing covenants between the government and its citizens which clearly provide that energy be sold at the lowest possible rates to consumers consistent with sound business principles.
- B. North Dakota's citizens have suffered shortages of energy in a state with ample supplies, we recommend that the state of North Dakota become involved in securing sufficient supplies by owning or leasing conventional or alternative energy production and transmission facilities.
- C. We support programs that provide grants and/or other incentives to low income families and small businesses for energy audits and energy efficiency/weatherizing.
- D. We support the North Dakota Petroleum Marketers Association's attempt to enact Fair Competition of Motor Fuels legislation which would prohibit the use of gasoline to be defined as a below-cost seller.
- E. We fully support the state of North Dakota and its efforts to challenge the federal Clean Power Plan as written. It will cause significant increases in electrical costs for our members. The EPA has failed

to give credit for investments already made in environmental controls and renewable resources in our state.

#### **4. PROTECT AND IMPROVE RURAL ELECTRIC COOPERATIVES**

- A. We believe there is a continuing need for low interest loan programs for distribution, generation and transmission cooperatives to assure energy at a reasonable cost to rural consumers.
- B. We oppose any attempts to dismantle the Rural Utility Services (RUS) program or to privatize the RUS Revolving Fund.
- C. We support the Federal Financing Bank and emphasize that rural electric and telephone cooperatives must continue to have and are entitled to have full and complete access to this institution.
- D. We oppose the sale of federally-owned dams and power generation and transmission facilities.
- E. We oppose the buyout and sellout of Rural Electric Cooperatives (RECs) to private power companies and urge the state legislature to enact laws to protect RECs.
- F. We support the Territorial Integrity Act of 1965, which minimizes conflicts among suppliers of electricity, allows orderly development of the state's electric utility infrastructure by minimizing disputes over extensions of distribution lines and avoids wasteful duplication of costly capital investment in utility facilities. In resolving disputes that do arise, the Public Service Commission should consider customer choice, service reliability and avoidance of unnecessary duplication of services or investment. Regardless of whether or how the electric industry may be deregulated or restructured in the future, the Territorial Integrity Act serves the best interests of both rural and urban consumers. Accordingly, we strongly oppose any legislative or regulatory action to abolish or weaken the Territorial Integrity Act.
- G. Electric cooperatives have a long and successful history of self-regulation by their member-owners. We oppose efforts to bring electric co-ops under the regulation of the Public Service Commission.
- H. We urge that any mergers by RECs realize the impact on rural communities and service to their consumers.
- I. We are opposed to attempts to deregulate the electric industry. We specifically oppose retail wheeling.
- J. We support adjusting the REC in-lieu-of property taxes to provide property tax relief equivalent to the tax relief that investor-owned utilities have received and may receive in the future.

#### **5. ENERGY DISTRIBUTION SYSTEMS**

- A. Electrical Generation and Transmission of Power

(1) We believe that the state of North Dakota should study the feasibility of developing, owning and

managing a high voltage electric transmission line system to distribute our growing renewable electric energy resource production throughout our country.

- (2) All high voltage transmission lines should be tied together in a national grid, be given the legal status of common carriers and be located on land unsuitable for potential cropland or in close proximity to section and quarter lines unless another route can be obtained without use of eminent domain. Prime farmland should have a higher priority as an avoidance area than wildlife acreages.
- (3) When new transmission lines are placed, a yearly rental payment to the landowner should be established. This would replace the one-time payment that is currently given to North Dakota landowners. Periodic increases should be made to rental payments in relation to inflation.
- (4) Where transmission line siting is subject to PSC approval, we ask that the ordinarily accepted condemnation statutory procedures granted to others using eminent domain be extended to REC transmission lines.
- (5) We urge consumer-owned utilities to coordinate regional and interregional electric planning.

## **6. CONSERVATION OF ENERGY**

- A. We encourage participation in education and implementation of energy conserving practices.
- B. We support an increase in the current Corporate Average Fuel Economy (CAFE) Standards provided the technology develops better fuel economy, but not at the expense of vehicle power and performance.

## **SECTION IX. ECONOMIC POLICY AND THE FAMILY FARM**

The government of the United States and the state of North Dakota must have economic policies that provide public services efficiently and economically. Public services should be provided to all people equitably, and the cost of service should be paid by taxes collected in accordance with the principle of the ability to pay. Less of the total tax burden should come from property taxes and more from income and corporate taxes.

### **1. FEDERAL FISCAL POLICY**

- A. We support a pay-as-you-go federal budget. This budget system would require that before new programs are established, a revenue source must also be enacted.
  
- B. In order to provide full accountability of tax revenues and government expenditures, the federal budget system must be based on normal business bookkeeping practices. Loans made by federal government agencies should be listed as repayable investments, not current expenditures. Annual operating costs should be separated from capital investments, such as public buildings, highways, multiple purpose water projects, conservation projects, equipment, etc. Amortization and/or depreciation schedules should be established for such capital investments and assets. Both the operational and capital budgets of a government department or agency should list the actual net cost of its programs to the taxpayer for that year.

### **2. MONETARY POLICIES**

- A. We urge the United States Congress to pass a bill for reduction of our national deficit, which has grown to severe extremes. We do this with grave concern that it is a threat to the future welfare of this country, and feel that it is irresponsible to pass this deficit on to future generations.
  
- B. We urge the combination of the following policies to achieve a balanced budget and reduced interest rates:
  - (1) Selective credit controls as needed in order to maintain the ability of farmers and small businesses to make the necessary investments for production.
  
  - (2) Strict enforcement of antitrust and monopoly laws, together with close scrutiny of corporate mergers and acquisitions.
  
  - (3) Reinstatement and enforcement of a reasonable corporate income tax.
  
  - (4) Investment in new enterprises, rather than for acquisitions or mergers.
  
  - (5) Improved federal purchasing procedures, including competitive bidding to reduce costs and to prevent abuses.
  
  - (6) Establishment of usury laws with limits at affordable rates.
  
- C. We oppose federal and state legislation which authorizes interstate banking and supersedes the

rights of states to regulate the ownership and control of banking within their states.

- D. We support privacy rights which prevent banks and lending institutions from selling, trading, sharing or giving information to anyone, for any reason at any time.
- E. Rural financial institutions have been burdened with excessive regulations aimed at Wall Street banks but that have the unintended consequences of discouraging home lending in rural and underserved areas by locally owned and/or locally-controlled financial institutions. We encourage Congress to create a mortgage law exemption for locally-controlled institutions serving rural and underserved areas from recently enacted federal laws and rules regarding mortgage escrow for high priced loans, mortgage insurance requirements, appraisal requirements, mortgage licensing and registration, and ability to pay/qualifying mortgages.
- F. We believe the North Dakota Legacy Fund should be used to benefit the future of North Dakota and its residents. The use of the Legacy Fund should be prioritized as follows: (1) infrastructure, (2) education, (3) agriculture, (4) conservation, (5) other. We feel that it should not be used for the interests of out-of-state special interest groups, organizations or people.
- G. We insist that any discussions regarding the use of the Legacy Fund include NDFU, and we urge NDFU to actively participate in representing farmer and rancher interests in those discussions, nor should the principal be utilized as a funding source to meet state budget shortages.

### **3. FEDERAL TAXATION POLICY**

- A. We urge that limitations be established to prevent tax-loss farming. We also urge that outside investors be prohibited from using farm losses to offset non-farm income.
- B. We support enactment of permanent legislation to allow self-employed persons to deduct the full cost of their health insurance, including premiums, deductibles, co-pays and long-term care on federal and state income tax returns.
- C. Cash accounting should remain available to family farmers.
- D. We support a capital gains tax that is indexed to inflation.
- E. We would support a capital gains exemption if land is sold to a beginning farmer.
- F. We oppose a value-added tax or other national sales tax proposals because of the regressive nature of such taxes.
- G. Farmers and ranchers should be allowed the same one-time capital gains benefit as homeowners, when selling property.
- H. Federal estate tax exemption should be a minimum of \$5.34 million per individual and \$10.68 million

per couple, indexed to inflation, to protect the rights of farm and small business people to pass their estate on to their heirs.

- I. Any reduction of federal income tax should be targeted to the first \$50,000 of an individual's taxable income.
- J. We oppose the flat tax concept because it puts family farmers, particularly beginning farmers, at a disadvantage.
- K. We oppose any attempt to require the collection of highway taxes on off-road fuel from farmers and ranchers.
- L. We urge the Legislature to study and find adequate funding to support the present off-road tax refund programs.
- M. We urge the state to increase enforcement of off-road fuel use in highway vehicles.
- N. We support the flexibility of a farmer to defer a portion of their crop insurance proceeds to the next fiscal year.
- O. We encourage the federal government to continue with tax incentives that will increase production of renewable fuels.
- P. We support permanent tax legislation for deductions of expenses accrued on the farm and ranch, and support a \$500,000 limit of the 179 tax deduction.

#### **4. STATE AND LOCAL TAXES**

- A. We favor continuation of the current North Dakota sales tax exemptions, especially for food, prescription drugs, labor, services, utilities, farm and animal production inputs, used machinery and parts. We also favor a rate lower than the regular tax rate for farm and animal production machinery and equipment.
- B. We oppose eliminating the state income tax. If general fund taxes are to be reduced, the state sales tax should be reduced to give more broad tax relief.
- C. We recommend that the legislature provide funding for state mandated programs that are to be administered on a local or county level.
- D. We oppose any effort to levy charges on utility bills to raise state revenues for the purpose of providing state and local services. We view such provisions as mechanisms designed to make utility bills a method of collecting taxes. We feel this is regressive taxation, a concept we oppose.
- E. We oppose any proposal which would mandate a public vote on every state and local tax or fee increase.

- F. For obtaining federal matching money, we favor relying on gas tax for the match rather than vehicle license fees, as a more equitable source.
- G. We oppose any proposal to increase working capital needs of our petroleum cooperatives by assessing the state highway taxes at the terminal.
- H. Due to commercial and industrial development in rural areas that creates an increased burden on township roads, we support allowing townships the ability to assess and charge repairs to entities causing damage.
- I. We support incentives and tax credits to U.S. producers to move North Dakota forward in the use of renewable fuels.
- J. We do not support a city sales tax to reduce property taxes.
- K. We are opposed to exemptions to the oil extraction and production taxes. Additionally, we oppose reductions in the rate of tax until the state replenishes and addresses unmet needs – including but not limited to infrastructure build-out and repair, property tax relief, education, emergency and health services – in rural North Dakota, and to be forward-looking and invest in the future of the state.
- L. We support the proper taxation of aggregate pits to support local infrastructure.
- M. We support the reinstatement of the oil extraction tax of 6.5% rather than the current 5% level enacted by the 2015 Legislature. We do support the continued elimination of the “trigger.”

## **5. PROPERTY TAX**

- A. Real estate taxes on agriculturally-zoned land should be based on profitability, productivity, use and soil types rather than market value. We call for updates to soil surveys to address productivity changes, including soil salinity.
- B. We favor the exemptions of farm homes and buildings for real estate tax purposes.
- C. The off-farm income threshold for farm home exemption should be set at \$80,000.
- D. We support a balanced tax structure and local control. As a result, we support restructuring the state tax system with property tax relief being a priority. However, we oppose elimination of property taxes and we oppose elimination of income taxes. To meet these goals, we propose increasing the percentage of sales, gross receipts, use, and motor excise tax collections to be deposited in the state aid distribution fund for allocation to political subdivisions. We also support a property tax system that imposes property taxes on the value of minerals.
- E. We are concerned about the loss of property tax collections due to economic development tax abatements. This amounts to corporate subsidy, pitting one community against another and putting an unfair burden on existing local property owners.

- F. We support legislation to mandate accountability of city and county economic development corporations.
- G. We oppose the removal of land from the tax base when it is bought by tax exempted entities and look for impact aid back to counties.
- H. Because the oil and gas production tax is imposed in-lieu-of property taxes on oil and gas producing properties, NDFU supports 80% of the oil and gas production tax going back to oil producing counties and townships.
- I. We call on the ND Legislature to reduce existing property taxes.

## **6. NATIONAL AND STATE TRANSPORTATION SYSTEMS**

We favor reauthorization of the current federal highway program and preserving the allocation formula which allows rural states to maintain adequate highway construction and maintenance. To match increased federal highway funding, we support an increase in state gas taxes.

### **A. Rural Road System**

- (1) We favor federal and state government funding of farm-to-market, county and township roads from gasoline or other tax revenue. Priority should be given to roads utilized for moving farm products to regional markets.
- (2) We urge the state to return 100% of the excise tax to the State Highway Tax Distribution Fund.
- (3) Federal guidelines for extensive right-of-way and rigid construction specifications for farm-to-market and rural roads must be revised for greater cost benefits and land use efficiency.
- (4) Our entire state highway system must be preserved and maintained at a quality level. We are against reverting any of our state highways back to our counties.
- (5) North Dakota collects a use tax on agricultural fuels. We believe this tax should be based on a per gallon rate rather than on a percentage basis. One hundred percent of this tax should be returned to the townships and counties for rural road improvement.
- (6) Slow Moving Vehicle (SMV) and other warning standards should be used and maintained for farm equipment when traveling on roads.
- (7) We encourage all farmers to use proper precautions, such as flag cars or trailering headers, when moving equipment down public roadways.
- (8) We urge that the state of North Dakota require commercial aggregate haulers to tarp their trucks.

- (9) Overload fines assessed on transports should go to townships or counties where collected instead of going to the state general fund.
- (10) We urge the state of North Dakota to increase funding of road repairs and maintenance.
- (11) The state of North Dakota should provide adequate facilities, equipment and personnel for timely snow removal on all state highways to guarantee emergency services and transportation safety for rural residents.

#### B. Rail Transportation

Federal rail transportation policy should recognize that deregulation of railroads cannot be treated in the same manner as deregulation of other industries. Policies should recognize that continuing rail mergers result in elimination of rail service to many communities. This results in the establishment of only one railroad service to entire portions of the country.

Regulation of the nation's rail system industry is needed to assure that rural areas will not be denied adequate service, that captive shippers are not charged excessive rates, or excessive fuel surcharges and that railroads will adequately maintain trackage and crossings.

We support:

- (1) Legislation that requires railroad companies to comply with antitrust laws and prove they meet competitive requirements when a merger takes place.
- (2) A reasonable single and three-car rate.
- (3) Legislation that would allow open access to the rail system for a reasonable price.
- (4) The Surface Transportation Board encouraging the railroad to continue the co-loading of rail cars. This in turn should help allow for the continued operation of the smaller elevators.
- (5) Public disclosure of contract freight rates allowed under the Staggers Deregulation Act.
- (6) Railroads being responsible for all the damages they cause on their property and eradication of noxious weeds.
- (7) Amtrak services to rural cities.
- (8) Surface and mineral rights going to the adjacent landowner or lessee when lines are abandoned. When land is abandoned by a railroad, it must first be offered to the adjacent landowners at fair market value, as determined by the county in which it is located.
- (9) Railroads being held liable for cars not being delivered to elevators at set times.

(10) State and federal mandates prioritizing rail service for agriculture commodity needs.

(11) The Surface Transportation Board enforcing the laws that govern the railroads.

(12) All efforts to stabilize and safely transport Bakken crude.

(13) Two engineers on board for all routes.

We oppose:

(1) Inverse freight rates and the use of certificates of transportation due to the lack of competition in railway service in North Dakota.

(2) Shortening the turn-around time of rail cars at point-of-origin and point-of-destination. Sundays and holidays should not be counted in turn-around time.

#### C. Truck Transportation

(1) We urge adoption of uniform state standards for truck weight and length limits.

(2) Load limitations should be enforced to reduce the damage to our roads and highways.

(3) We support raising the mile limit for commercial drivers license exemptions from 150 miles to statewide for farmers and ranchers transporting their own agricultural product.

(4) We support allowing persons 16 and older a CDL (Commercial Driver's License) for custom harvest purposes only.

(5) We urge the N.D. DOT to address the needs of all communities caused by the loss of rail service.

(6) To prevent unsafe driving by truckers, we urge the elimination of incentive pay based on the number of loads delivered.

#### D. Water Transportation

(1) We believe that reliable navigation structures on the Upper Mississippi are imperative to the welfare of agriculture and industry for transportation of grain and raw material, especially fertilizer.

(2) Because water transportation benefits the entire society, we oppose user fees for financing construction or operation of waterways or ports.

(3) We support efforts to keep the Twin Ports and St. Lawrence Seaway competitive with other ports by building a larger seaway to support larger cargo ships.

- (4) We support efforts to deepen and maintain ports in the Pacific Northwest, including those that load commodities in the Puget Sound and Columbia River area.

E. Air Transportation

- (1) We urge that airline service to our cities be maintained and improved, and also that rural areas are not penalized in airline rate structures.
- (2) We urge that rural representation be a requirement for any airport authority supported by rural taxes.

F. Bus Transportation

- (1) We support an interstate bus transportation system to be provided and maintained.

**7. TELECOMMUNICATIONS**

- A. We urge congressional support for the maintenance of a telephone industry structure which preserves the ability of rural telephone systems to offer quality telecommunication services to all rural subscribers at reasonable rates.
- B. We endorse efforts to retain the existing principle that long distance toll carriers pay an equitable share for use of local telephone exchanges. We urge uniform toll rates, equitable payment by competing telecommunication services for their direct or indirect use of local exchange facilities and full authority for rural telephone co-ops (RTCs) to provide a complete range of broadband services.
- C. We support the establishment and preservation of an enhanced 911 system in all of North Dakota, including cellular service and the continued development of text messaging 911 support.
- D. We support efforts to provide competitively-priced, high-speed broadband access to the internet for rural Americans.
- E. We strongly urge communication providers to add towers to provide reliable service for all areas of North Dakota with priority given to areas that rely on cellular services for emergency personnel.
- F. We urge all rural telephone cooperatives to amend their bylaws to admit all customers to full membership.
- G. We encourage the North Dakota Attorney General to place emphasis on educating the public on how to protect themselves from and report telephone/cell phone scams.

**9. TRANSPORTATION SAFETY**

- A. We support requiring railroads to erect warning light signals on all crossings near schools.
- B. We recommend the Highway Department cooperate with the railroad and share the cost of erecting automatic warning signals at the more dangerous crossings.

- C. We encourage reflective strips be placed on all rail cars so they may be seen at night at rail crossings.
- D. We support safe driving practices which include Defensive Driving Courses and Alive at 25.
- E. We recommend the highway department install rumble strips on all paved roads.
- F. Cell phone use, including texting, while driving not only endangers drivers and their passengers, but also others that are on the road. Using cell phone media devices while driving should be prohibited in North Dakota.
- G. As a result of the nature of rural lifestyle, we support legislation that allows drivers to obtain licensing at 14 years old.

## **9. INSURANCE**

- A. We urge the current Auto Accident Reparations Act (Modified No-Fault) be amended to include a formula to compensate self-employed individuals for loss of earnings based on their annual income.
- B. We recommend that the North Dakota Legislature enact into law a requirement that all custom operators carry liability insurance to protect the farmer who hires them.
- C. We urge that liability against political subdivisions be limited to cases of gross negligence.
- D. We support a mandate from the state of North Dakota to all car insurance companies doing business in the state to notify the state when a vehicle insurance is allowed to lapse.
- E. We believe there should be limitations established on the awards provided in liability and medical malpractice cases.
- F. We urge the investigation of all repeat worker compensation claims.
- G. We oppose the privatization of Workforce Safety and Insurance. We recommend that WSI stay under the governor's oversight.
- H. We support Workforce Safety and Insurance that is fair and equitable to both the employer and the workers.
- I. We urge Congress to pass legislation that will help insurance and re-insurance companies cover claims from acts of terrorism.

## **SECTION X. TECHNOLOGY AND THE FAMILY FARM**

Farmers and ranchers are open to the opportunities that technology can create in their operations. However, the benefits of new technologies must be weighed against costs and risks involved.

### **1. NEW AND EMERGING TECHNOLOGIES**

- A. We urge continued research and funding of alternative agricultural technologies and sustainable systems that would benefit family farmers.
- B. We support the use of unmanned aerial vehicles (UAVs or drones) for agricultural uses. But urge any data collected from UAVs remain private and secure unless chosen otherwise.
- C. We believe that precision agriculture creates possibilities for producers to implement both cost-effective and conservation practices on their land.
- D. We support “fair repair and right to repair” legislation that would allow farmers and independent mechanics access to diagnostic software, information and other tools in order to repair modern equipment.

### **2. BIOTECHNOLOGY OPPORTUNITIES AND CHALLENGES**

Biotechnology, genetically modified or enhanced organisms, gene therapy and transgenics are terms of increasing importance to producers. Biotechnology affects a broad range of issues including production, income, trade, farm business structure, environment and food safety.

- A. We are opposed to biotechnology being used to accelerate structural changes in U.S. agriculture that leads to further vertical integration of agribusiness and results in an even smaller share of the revenue from production going to the producer.
- B. We acknowledge concerns that biotechnology is being used as a trade barrier, however, we respect other nations’ sovereignty and food policies and urge open dialog, cooperation and understanding in trade negotiations relating to biotechnology.
- C. We recognize that biotechnology presents both opportunities and risks for producers and consumers; therefore, we urge each application of biotechnology and its impact to be weighed individually, rather than accepting or rejecting biotechnology as a whole. In addition, we urge all individual applications to be evaluated as to its overall impact, including any economic, social, political, environmental, health and safety issues that may arise due to the new technology. Genetic material resulting from plant breeding and biotechnological research done in publicly funded institutions must be disclosed and remain in the public domain rather than private patents.
- D. We encourage breeding of biotech and hybrid seed varieties by our land grant universities to promote market competition.

- E. We recognize that sound, publicly-supported scientific research is necessary to answer the many questions which exist, and emphasize that any research plots must be isolated to prevent any possibility of contamination to our breeder, foundation, registered, certified and organic seed stocks.
- F. We support the state, Congress and the Secretary of Agriculture imposing a moratorium on the introduction, importation, certification and commercialization of genetically-engineered wheat, including all classes of wheat, until issues of cross-pollination, liability, commodity and seed stock segregation, and market acceptance are adequately addressed.
- G. We support legislation to exempt farmers from paying royalties on patented farm animals and technology fees on seeds that have been genetically modified.
- H. We oppose the further use of tax dollars in developing terminator technology, e.g., a gene to ensure that seed will not reproduce. We urge legislation to prohibit the development and selling of seed that is sterile. We support the right of farmers to plant seed derived from proprietary organisms on their own land.
- I. Companies owning the patent on transgenic crops must be legally responsible for damages caused by genetic trespass rather than holding farmers solely responsible for damages.
- J. We encourage Congress and our state legislature to regulate the biotech industry's technology agreements. Farmers should not have to sign away their fundamental right to a jury of their peers in court in exchange for the privilege of growing biotech crops. Grievances should be settled in the home state of the farmer not the state of the biotech corporation.
- K. We urge all seed dealers and grain elevators in North Dakota that handle flax to conduct tests to determine if they have Triffid contaminated stocks. We urge state and federal officials to explore effective methods to curtail the presence of GMO flax in both seed and harvested flax.

### **3. FARM DATA COLLECTION AND PRIVACY**

We believe that data relating to our operations is important to protect and is key to our livelihoods and agricultural advancements. As a result, it is vital for producers to take a proactive stance on who is using their information, why they are using it, and how it is being used.

We support:

- A. The use of contractual agreements that are concise and easy for producers to understand.
- B. Producers owning their own information.

We oppose:

- A. The use of farm data to manipulate markets.
- B. Private data being used against the farmer's wishes or knowledge.
- C. The sharing of farm data with any business unless it is farmer approved.

# SECTION XI. SOCIAL POLICY AND THE FAMILY FARM

National, state and local government should constantly strive to preserve and expand freedom of thought, speech, radio, television and press, freedom of secret ballot, religion, assembly, freedom to organize and to petition the government for a redress of grievances.

## 1. **CIVIL RIGHTS AND LIBERTIES**

- A. We support equal rights for all, regardless of gender, sexual orientation, age, race, creed, occupation or national origin.
  
- B. We are concerned about the constitutional amendment guaranteeing farmers the right to farm using modern farming practices. This raises questions like who defines the term modern and does this right to farm supersede local zoning authority. Because of the vagueness of the language, we are opposed to this amendment until further clarification is provided.
  
- C. We urge Congress to continue to ensure oversight of government surveillance in the United States, and to investigate violations that occur so that we do not destroy the very rights and freedoms that have made our nation great.

## 2. **IMMIGRATION**

- A. We must be able to secure our borders.
  
- B. Immigrants are part of both our rural and urban communities. We must adapt to this reality and recognize the critical role immigration has played in our nation's history.
  
- C. Policies must provide a reasonable path to citizenship for those who are here illegally, and are of good character, pay taxes, and are committed to become members of our society.
  
- D. We encourage people to seek permanent residence legally by applying for citizenship with all the rights and responsibilities that accompany it. We also encourage programs for new citizens that foster assimilation into American society.

## 3. **GOVERNMENT REFORM**

We urge the following reforms in our government:

- A. Enforcement of a code of ethics for all members of all branches of government. We support the formation of an ethics committee with oversight of the North Dakota legislature.
  
- B. The United States of America has always been special because of the rights and freedoms that our citizens enjoy. In defending our country, we should not destroy those very rights and freedoms. We therefore urge Congress to ensure further oversight of government surveillance in the United States, including information of what violations might have been committed.

- C. We oppose term limitations because they are a limitation on the rights of citizens to choose and elect their public officials.
- D. We support the concept of public financing of political campaigns of all federal offices. We feel there is a need for campaign finance reform, starting with spending limitations. Candidates should disclose all campaign contributions and they should not be able to use campaign funds for personal use. We are opposed to the ruling by the United States Supreme Court that makes it possible for a corporation to be considered as an “individual” in regard to campaign contributions.
- E. We believe political campaigns should have a time limit and candidates should be held responsible for making false claims.
- F. Political campaigns should abide by the “do not call” list. Furthermore, this provision should roll over into a “do not text” list.
- G. News media should be prohibited from broadcasting results of balloting until the polls are closed in all districts, counties and states.
- H. The reapportionment of legislative districts should cross as few county lines as possible and seek to retain communities of common interest within district boundaries. We support the concept of one senator from each county to give geographical balance to our legislature.
- I. We support mandating an independent commission to determine state legislative district lines after each 10 year census.
- J. We recommend that county commissioners be elected from specific districts.
- K. We support legislation to allow county commissioners to consolidate or eliminate county offices only if cost savings may be realized and there is minimal negative impact on services.
- L. We urge that constitutional measures be simplified and presented to the voters in a clear and concise manner at general elections.
- M. The privilege of initiated measures on the North Dakota ballot is too readily abused. We encourage voters to directly address the legislature with concerns and only after that seek relief through the initiated process. We further believe our state’s constitution is a document of core beliefs that should only be amended for compelling reasons.

#### **4. EDUCATION**

Every child in our nation should have equal opportunity to obtain the most effective education that can be provided by the nation’s resources. We recognize and appreciate the quality of education provided by our rural schools.

- A. Free public education must remain a goal of school boards and administrators. Special fees discriminate against those who have the greatest need for the broadest educational opportunities. Such charges should be borne by all citizens and not individual students.
- B. Our schools need to focus on their primary goal of education, therefore we urge greater emphasis on classroom work, music and the arts, and less emphasis on athletic activities.
- C. We believe it is imperative that our public schools greatly improve and emphasize education in civics to improve knowledge about all levels of government.
- D. The instruction of cooperative objectives and philosophy should be made available to all students.
- E. We support continuing education to train students in cooperative management at North Dakota colleges and high schools.
- F. State funding for elementary and secondary schools should be based on at least 70 percent per pupil. We oppose increased reliance on local property taxes for funding schools because it discriminates against rural schools and places an unfair burden on property owners. Additional financial support for educational programs, teacher salaries or teacher qualifications mandated by the state or federal governments should be provided by the state and federal governments so that local school districts may also preserve and expand educational programs.
- G. We would support legislation that will allow all school districts in North Dakota an equal opportunity to participate with after-school programming.
- H. We support alternatives such as joint powers agreements to reduce expenses, including but not limited to, the sharing of administration, programs, teachers and communications technology. We also support cooperating or consolidating school districts if it ensures a higher-quality education and/or becomes economically necessary. Institutions of higher education should be eligible to be members of joint powers agreements.
- I. School districts must provide transportation at no cost to rural school patrons through state funding of school busing expenses.
- J. Special consideration needs to be given to the length of school bus rides.
- K. We would support a bill that appropriates the money earned from the leases of land owned by the State of North Dakota to be directed to the school districts which are in the boundaries of such leased land.
- L. We believe that local school boards should determine when to start public school according to the best interest of the students' education.

- M. In school dissolutions and annexation hearings, we ask that all property owners wishes be considered. We believe that the future of rural schools should be determined locally.
- N. We urge the ND Legislature to amend the law requiring schools to make up all time lost. The current law puts children and staff at risk, since schools are less likely to start classes late or dismiss early on storm days. We support legislation that would allow local school boards the authority to count two-thirds of a day as a full day on six occasions a year for school improvement plan work, professional staff development, or emergencies deemed necessary by the local school board.
- O. We urge our local school boards and administration to implement crisis planning and safe schools training for their schools.
- P. We support adequate funding for North Dakota higher education.
- Q. All of the state's academic institutions should be administered to allow complete flexibility on student programs with all credits transferable.
- R. We urge continuation and expansion of low interest student loans and other types of financial assistance for college students. Eligibility for financial assistance should be based on earnings.
- S. We urge the NDFU Board of Governors and NDFU Board of Directors to explore the feasibility of sponsoring an agricultural program in our schools in the form of a lyceum and other forms of ag education.
- T. We urge the North Dakota Legislature to provide funding for at least five students to complete veterinarian school. Those receiving these funds must return to North Dakota and be a practicing large animal veterinarian for a minimum of three years.
- U. NDFU urges the state of North Dakota to stop imputing oil and gas tax money received by oil impacted schools.
- V. We urge the creation of a state program that provides the full or partial reimbursement of education costs or student loans to in-state students who graduated from an in-state university, whom upon graduation remain living and working in North Dakota for at least five years.
- W. With the teacher shortages and many courses unavailable to rural schools, we support the use of online education in North Dakota.

## **5. HEALTH**

- A. An affordable, comprehensive health plan should be developed that will enable all citizens to become fully participating members of medical, mental, dental, hospitalization, long term care and prescription drug benefits.

- B. We support current and future initiatives to provide reimbursement for the full cost of providing rural health care.
- C. We encourage North Dakota Farmers Union to begin studying the establishment of a group health plan for its members to participate in and lobby for law changes that would allow membership associations to offer group health insurance to its members.
- D. Long-range planning for health facilities and services must be continued and funded to prevent costly duplication, to ensure availability of health care, to monitor costs and to give the consumer a voice in the health care system.
- E. We encourage our congressional delegation to improve the medication coverage in Medicare Part D.
- F. Private-pay residents of nursing homes and health care facilities should pay no more than the same rates as those who receive public assistance.
- G. To guard the future good health and wellness of Americans and to realize cost savings, long-term and planning must assure that:
  - (1) Health promotion and education is given high priority because lifestyle choices and wellness are directly connected.
  - (2) Third party reimbursement may be charged for services provided by any health professional, including registered nurses, nurse practitioners and physician's assistants to allow improved access to home health care, health promotion and health maintenance. This reimbursement may also be provided for resident care givers.
  - (3) New uses must be created for those facilities that are not needed or that cannot financially keep up with today's technological demands.
- I. Emergency Services
  - (1) Emergency services, training and equipment must be funded. Our rural communities depend on volunteers who need continuing education and support. The state should allow Rapid Response Units to transport individuals in need of care to medical centers.
  - (2) We urge North Dakota to develop a volunteer emergency personnel compensation and a retirement plan.
  - (3) We urge the state legislature to restore liability coverage if emergency personnel are injured while on a call.
  - (4) We support permanent funding for ground and air ambulance services in North Dakota.

- (5) North Dakota should standardize its 911 address system.
- J. We support establishment of nonprofit member-controlled health maintenance organizations (HMOs) and other health cooperatives to serve rural and urban areas in North Dakota.
- K. We urge adequate state funding of CHIP (Children's Health Insurance Program), and we urge the state to maintain minimum eligibility to 220% of poverty level.
- L. We support allowing any North Dakota resident to buy into the state health insurance program (ND PERS).
- M. We support efforts to provide smoke and vape-free establishments.
- N. We urge that a portion of the tobacco settlement be used in prevention of tobacco use and health-related issues.
- O. We support the teaching of CPR and first aid in grade schools and high schools for students and adults.
- P. We support provisions by the federal and/or state departments for radon testing and water well testing for toxic chemicals.
- Q. We support the licensing of hospices with some flexibility in the law so hospices can be a service in rural areas. Likewise, we encourage our membership to promote hospice care as an end-of-life alternative and to financially support hospice care in their communities.
- R. Since North Dakota Blue Cross/Blue Shield has been granted the right to become a nonprofit mutual insurance company, we should monitor any legislation that may be introduced that would enable them to change their status from a nonprofit mutual company to a for-profit mutual company or a stock company.
- S. We urge Congress to fully fund out-patient clinics and hospitals for veterans.
- T. We urge the State and National Farmers Union to lobby for methods of payment that will ensure adequate vaccination coverage for our children.
- U. We support the state approving the use of marijuana for medical and medical research purposes only. We strongly support that it is extensively researched, so that during production it is determined to be as safely produced for the patient as possible. This includes research on everything from the growing stage to consumption phase, and all to be controlled, monitored and regulated by the state.

## **6. DAY CARE CENTERS**

- A. We support funding of programs to enable day care centers to achieve and maintain affordable rates, in addition to ensuring a safe and healthy environment.
- B. We support legislation that addresses the day care shortage in our state. Further, we support programs and legislation aimed at reducing day care costs.

## **7. NATIONAL AND STATE PROGRAMS FOR ELDERLY AND LOW INCOME PERSONS**

- A. We urge Congress to make funds available to provide jobs for elderly low income persons in worthwhile and well accepted programs and senior community service projects. We would further urge the Legislature of North Dakota to enact legislation that creates a similar program on a state level to supplement the federal programs.
- B. We oppose borrowing from Social Security and Medicare funds for other purposes. Until this practice stops, we believe any money borrowed from these funds for general fund purposes should be replaced with general fund dollars. There should not be an increase in Social Security or Medicare taxes or a reduction in benefits to replace this money.
- C. We urge a continuation of the efforts to correct an inequity in Social Security benefits for recipients born during the notch years which results in reduced entitlements for basically the same level of contributions.
- D. We oppose allowing individuals to invest a portion of their Social Security taxes in private investments.
- E. We urge Congress to change Social Security eligibility requirements so that individuals who haven't worked outside the home long enough qualify for benefits.
- F. We urge Congress to change the amount of Social Security benefits individuals should receive in the case of death or disability of a spouse to the maximum amount they are entitled to plus half of their spouse's benefit.
- G. We urge Congress to change laws so that spouses who are equal business partners are able to collect equally on the Social Security tax that was paid in as a result of that business.
- H. We urge Congress to remove the salary cap on the Social Security tax for wages earned.
- I. We urge effective cost controls for Medicare and Medicaid, however, we oppose stringent requirements which pre-determine the health services a patient may receive.
- J. Programs such as the Work Incentive Program need greater emphasis and funding in this nation's social service efforts to assist families to move out of the poverty and public assistance cycle.

- K. We support continued funding for the North Dakota Displaced Homemaker Program.
- L. We support the current heating assistance program for low income and elderly persons.

## **8. NUTRITION**

- A. We urge continuation of the Supplemental Nutrition Assistance Program (SNAP) and the free and reduced cost school lunch program for all eligible students.
- B. We support the free milk program in our school systems. We encourage the continued availability of flavored milk in our school systems.
- C. We encourage educational programs to promote wholesome diets consisting of cereal, meat, dairy, fruits and vegetables and other agricultural products.
- D. NDFU encourages the state Legislature and Congress to work toward federal, state and local policies to bring wholesome, fresh, local foods into schools and develop processing and distribution capacity to meet that need.
- E. We urge the expansion of USDA commodity distribution programs, to improve school and other nutritional programs.
- F. We support the use of American products in state institutions.
- G. We support the Meals-on-Wheels program.

## **9. LABOR RELATIONS**

- A. The rights of all employees to organize and bargain collectively should be protected. We support the Equal Employment Opportunity Act. We urge amending the Taft-Hartley Act to improve the negotiating process to protect the interests of farmers in prolonged disruptions in the grain marketing and transportation system.
- B. We support a reasonable minimum wage for labor.
- C. The North Dakota Farmers Union is opposed to and requests the elimination of the Multiemployer Pension Reform Act of 2014 (MPRA) in HB 83, which was called the Kline-Miller amendment.

## **10. SOCIAL PROBLEMS**

- A. We support the task force on drug trafficking and human trafficking to work with law enforcement agencies in every North Dakota county and city. The state of North Dakota should pay the costs of prosecuting cases since this is a statewide concern and limited local resources slow or stop enforcement.
- B. We urge that a portion of the profits from gambling be set aside to combat addiction and other social problems.

- C. We support a national registry and a strict monitoring program for sexual offenders.
- D. We oppose legalization of internet gambling in the state of North Dakota.
- E. We support efforts to bring awareness to mental health issues in North Dakota, with a special emphasis on suicide prevention.
- F. We believe that bullying is a significant issue in North Dakota, and more awareness should be brought to the issue.

**11. PROPERTY ABUSE**

- A. Due to the abuse of public and private property by vandalism and trespassing, we recommend punishment and penalties for such crimes to include full restitution of damages.

**12. U.S. POSTAL SERVICE**

- A. Because we are losing farm population, the U.S. Postal Service is reducing service, both in route cuts and post office business hours, in rural areas. We urge the U.S. Postal Service to provide equal service to those remaining rural residents. We encourage the Postal Service not to determine mail routes based on population or mileage.
- B. We request that Congress correct the difficult situation they have imposed on the United States Post Office when they required excessive advance funding of pension funds.

**13. NORTH DAKOTA HERITAGE**

We support the work of the State Historical Society of North Dakota Foundation and its objectives of promoting and improving the North Dakota Heritage Center and preservation of history across the state.

**14. FLAG ETIQUETTE**

We urge the proper display and respect of the United States flag, the state flag of North Dakota, and support the reciting of the Pledge of Allegiance as currently written in our school systems. We also support the performing of the National Anthem at public events.

**15. THE WORLD WE LIVE IN**

- A. The United States has a responsibility as a world leader to continue support for the United Nations and its specialized agencies for the development of coordinated programs to expand and strengthen the economies of the nations of the world.
- B. The goals of our nation's foreign policy and the United Nations should be to promote the attainment of human rights and aspirations, the recognition of the rights of self-determination, the elimination of cultural barriers that interfere with the free flow of information, ideas and persons, and the sharing of technical and economic aid.

- C. We call upon our government to exhaust every channel through the United Nations to reach peaceful solutions to international problems.
- D. We strongly urge participation in and recognition of World Food Day established as an annual event through the United Nations.
- E. We acknowledge the burdens, dangers, and sacrifices of America's military personnel and appreciate their service to our country.
- F. We support efforts to establish a mutually verifiable international freeze on the development and production of nuclear weapons and on new weapons systems.
- G. We support foreign aid programs of food aid, and urge that such aid be done in ways that do not damage the livelihood of third world farmers.
- H. We deplore the exploitation of children and support labor laws which protect children's rights.

## **SECTION XII. OUR FAMILY FARM ORGANIZATION**

North Dakota Farmers Union, guided by the principles of cooperation, legislation and education, is an organization committed to the prosperity of family farms and rural communities. Toward that end, North Dakota Farmers Union provides educational and informational services, provides a channel through which the right to petition government may be exercised, and assists its members in the procurement of products and services necessary for the operation of their farm businesses.

### **1. FARMERS UNION ORGANIZATIONAL STRUCTURE**

A. To remain a strong and effective organization of rural people, local and county officers should work harder to provide:

- (1) Quality local and county meetings, including the encouragement and formation of community locals.
- (2) Regular planning meetings of their officers to effectively implement the many programs of our organization.
- (3) An opportunity for greater youth and young adult participation in local meetings and other Farmers Union functions.
- (4) Encouragement to young farm families to attend and to take an active part in the guidance and direction of the local, county, state and national Farmers Union organizations.
- (5) Notices of meetings to every member and invitations to managers, directors and employees of area cooperatives to attend local meetings and county and state conventions.
- (6) Information to the North Dakota Union Farmer and area newspapers as to local activities to promote greater interest in North Dakota Farmers Union and its activities.

### **2. FARMERS UNION EDUCATION PROGRAM**

Farmers Union should continue to improve its program of education through:

#### **A. Cooperative Education**

We call upon our organization to continue to be the leader and primary source of cooperative education for our state. Special emphasis should be given to promote understanding of the Rochdale principles of cooperation as well as the structure and operation of co-ops.

#### **B. Junior and Senior Youth Education Program**

The junior and senior youth program goals should be stressed and continued for the education of our young in cooperatives, in government, in agriculture and our organizational objectives. We urge that youth and volunteer leaders attend teacher training and leadership workshops, and continue to teach the grassroots principles of Farmers Union.

- (1) NDFU should continue to work with NFU to develop a curriculum for both junior and senior classes. The materials should allow for each state to continue to teach the history of Farmers Union and agriculture in the state.

C. Young Adult Education and Farmers Union Collegiate Chapters

The young adult education program including the NDFU Alumni Association and Farmers Union Collegiate Chapters should be continued and increased. We urge more activities for young adults to inform them on involvements in Farmers Union.

D. Adult Education

Recognizing education of our membership as one of the basic purposes of our organization, we encourage a continuing effort in developing resource materials for use by our local organizations in conducting a vigorous adult education program paralleling our youth program. Such materials should be accompanied by subject outlines on topics of current interest, concern and importance to our membership.

County officers are encouraged to fully utilize the services of NDFU Member Relations Specialists to assist in accomplishing the objectives of our adult education program.

E. Consumer Education

Our organization should continue consumer education programs illustrating the role of agriculture in the economy, the farm portion of the USDA budget, the condition of family farmers and the actual relationship between the price of food and fiber on the farm and the product on the shelf.

- (1) Our organization should continue consumer education programs illustrating the role of agriculture in the economy, the farm portion of the USDA budget, the condition of family farmers and the actual relationship between the price of food and fiber on the farm and the product on the shelf.
- (2) We believe in educating all ages on the importance of family farmers through a marketing program, innovative education tools, food delivery systems and additional programs that help family farmers capture more of the food dollar.

F. Farmers Union Insurance Education

We charge Farmers Union Insurances with the responsibility of educating agents and policyholders with regard to coverages of their policies. The Union Farmer should be a major vehicle for such insurance education.

G. Young Couples' Seminars

We urge closer coordination of young farm couples' seminars between our organization, our affiliated cooperatives and other rural organizations.

#### H. Bus Tours

Educational tours through the use of NDFU buses for cooperative and legislative purposes should be expanded through coordinated efforts of the county and state organizations.

#### I. Young Producer Meetings

We urge continuation and expansion of county-sponsored young producer meetings, fully utilizing their state staff and Member Relations Specialists for these programs. Such educational programs should address the present problems of farming, including marketing and financial planning.

#### J. Beginning Farmer Outreach

We call upon North Dakota Farmers Union to develop and implement educational workshops for beginning and prospective farmers. Such workshops should be held at selected locations around the state and should include information on various state and federal programs – FSA, BND loans, farm diversification grants, financial analysis and record keeping and other resources designed to put a new generation on the land.

#### K. Personal Contact

We urge county and local organizations to develop educational programs of personal contact and recruitment.

L. We urge NDFU to continue to implement a program recognizing outstanding dedication and efforts in Farmers Union and the cooperative movement.

M. We urge the county organizations, where financially feasible, to send nonvoting members to participate in the educational activities at the state and national convention.

N. We encourage NDFU to organize state disaster relief to aid rural communities hit by natural disasters.

### **3. MEMBER AND PEOPLE EXCHANGE**

We support rural-urban, national, international and farm-urban congressional exchange programs. We urge North Dakota Farmers Union to continue their support and interest in exchanges among youth and members and to help start such a program for locals and counties.

### **4. FARMERS UNION EDUCATION AIDS**

A. We recommend that local and regional cooperatives and state and county Farmers Union organizations cooperate in providing college scholarships and summer employment for Farmers Union youth, especially to those who plan a future in family farm agriculture and cooperatives.

B. We encourage participation of cooperatives in training programs for young people, employees and directors.

## **5. FARMER-LABOR-CONSUMER RELATIONS**

We strongly encourage Farmers Union state officers and directors to meet with officers, directors and leaders of North Dakota labor unions; educational, church and consumer groups; and other farm organizations to explore areas where joint study and action would be most productive for all of the memberships of these organizations.

## **6. FARMERS UNION MEMBERSHIP AND PUBLIC COMMUNICATIONS**

The purpose of membership communications and public communications, including publicity, publications, broadcast media and other communication vehicles, should achieve the following:

- A. To keep membership informed on Farmers Union policies, activities and all farm and public interest issues.
- B. To promote a better understanding of the purposes and objectives of Farmers Union cooperatives, to increase patronage and loyalty and to create closer relationships between Farmers Union and its affiliated cooperatives on all levels.
- C. To promote public understanding and public acceptance of Farmers Union principles and objectives.

It is imperative that NDFU and county Farmers Union organizations seek a higher visibility of their activities through television and radio advertising and relate those activities to cooperative support.

- D. We, in cooperation with NFU and other state organizations, shall use appropriate technology, such as the internet, to effectively inform consumers and policymakers about educational issues such as family farms, food safety, farmer's share of the food dollar, etc. We support NFU's web site, [www.nfu.org](http://www.nfu.org), and the NDFU web site, [www.ndfu.org](http://www.ndfu.org), and encourages advertising it to our urban neighbors and Congress.

## **7. FARMERS UNION TIES**

- A. The affiliation of Farmers Union cooperatives and Farmers Union Insurances to the Farmers Educational and Cooperative Union of America are paramount to any other affiliation because such activities have been built by Farmers Union people as component parts of an organization of, by and for family farmers. Affiliations of Farmers Union cooperative activities with other cooperatives and associations, federations and joint undertakings are highly desirable and are recommended if they do not jeopardize ties with Farmers Union or harm any other Farmers Union cooperative.
- B. We must take a leadership role in working with other farm organizations and agriculture coalitions from the local to the national level in an effort to determine common goals so that we might speak with a unified voice for the American farmer. We ask similar leadership by our organization in developing better working relationships with global farm and cooperative organizations. We urge consideration of sponsorship of regional meetings at which farmers, business persons and other rural leaders can discuss agricultural policy directions and the future of rural America.

## **8. POLITICAL EDUCATION AND ACTION**

- A. We believe that neither the local, county, state nor national Farmers Union organizations, nor any of their affiliates, should become involved in the endorsement of political candidates. We encourage Farmers Union to facilitate candidate forums, throughout the state, in order to better inform our members on a candidate's particular positions relating to Farmers Union's interests.
- B. We recommend NDFU publish a scorecard for legislators, including their voting record and how often they voted with NDFU on issues important to the organization.
- C. Effective action by members requires direct participation as individuals in selection of candidates in primary elections, caucuses and conventions; promoting and taking part in discussions of the issues and the stands of the candidates on the issues; and exerting personal influence and extending financial aid, where able; and voting for candidates who support the Farmers Union program.
- D. We shall continue to encourage and assist its members in lobbying elected and appointed officials to support Farmers Union positions.
- E. We encourage the creation of a "Friends of Family Farms" PAC to endorse and finance candidates who strongly support NDFU values and policy. The PAC shall be funded solely through voluntary donations and no funding shall be directly contributed by Farmers Union.

## **9. MEMBER RESPONSIBILITIES**

- A. Farmers Union members should participate in and accept leadership responsibilities for civic, service and economic organizations in trade center areas in which they live. Farmers Union organizations should seek opportunities to appear before town and city audiences to discuss mutual problems. Town and city people within the trade area should be invited by members to patronize Farmers Union affiliated service, supply and credit union cooperatives.
- B. Members should advocate, encourage and support neighbors to run for elected positions on their co-op boards.

## **10. WORLD FARMERS ORGANIZATION**

- A. Membership of National Farmers Union in the World Farmers Organization should be continued.

## **11. NATIONAL FARMERS UNION**

- A. The National Farmers Union convention should be held within an organized Farmers Union state no later than the first week of March.
- B. In order to be fully representative of operating farmers, we believe that the national program drafting committee members must be working farmers. Salaried state or national Farmers Union officials should not be eligible to serve on this and other national convention committees.

- C. We encourage National Farmers Union to sponsor a farm-urban congressional exchange to bring the respective congressmen to the city and farm to see and feel the problems first-hand. Communication and understanding are extremely important.
  
- D. Since the majority of people in this country are not connected to farming directly or indirectly, we encourage National Farmers Union to prepare an educational program about farming to be taught in every school throughout the United States.
  
- E. Continue to support the Beginning Farmer Institute.

# GLOSSARY OF TERMS & ABBREVIATIONS

**ACP** – Agricultural Conservation Program

**AFTA** – Australian Free Trade Agreement

**Animal Unit** – Standard measure based on feed requirements, used to combine various classes of livestock according to size, weight, age and use.

**APHIS** – Animal and Plant Health Inspection Service of the U.S. Department of Agriculture

**APUC** – Agricultural Products Utilization Commission

**Aquaculture** – The production of aquatic plants or animals in a controlled environment such as ponds, raceways, tanks or cages for all or parts of their life cycle.

**BND** – Bank of North Dakota

**BSE** – Bovine Spongiform Encephalopathy (mad cow disease)

**CAFE** – Corporate Average Fuel Economy standards

**CAFO** – Confined Animal Feeding Operation

**Capper-Volstead Act** – The law which allows producers to organize into cooperatives without violating antitrust laws.

**Carbon Sequestration** – The storage of carbon from the atmosphere in soil organic matter through agricultural practices such as no-till farming.

**CCC** – Commodity Credit Corporation of the U.S. Department of Agriculture; created to stabilize, support and protect farm income and prices through loans, purchases, payments and other operations

**Checkoff Program** – Research and promotion programs authorized by law and financed by assessments; the programs are paid for by specified industry members such as producers, importers and handlers.

**CHIP** – Children’s Health Insurance Program

**Clawback Provisions** – Requiring companies to repay economic development incentives if they do not follow through on promises, or if they relocate after incentives expire.

**Clean Power Plan** – A policy aimed at combating global warming by setting a national limit on carbon pollution produced from power plants. It was first proposed by EPA in June 2014. The final version of the plan was unveiled by President Obama in August 2015.

**COOL** – Country-of-origin labeling

**Cooperative Principles** –

- one member, one vote
- open membership
- competitive prices
- autonomy and independence
- concern for community
- continuous expansion
- continuing education
- patronage refund
- limited return on investment
- cooperation among cooperatives
- political and religious neutrality

**Countercyclical** – A farm program system of government payments that would activate when market prices were low and deactivate when market prices recovered.

**CPR** – Cardiopulmonary resuscitation

**CSP** – Conservation Stewardship Program

**DIAP** – Dairy Import Assessment Program

**DEA** – Drug Enforcement Agency

**DR-CAFTA** – Dominican Republic - Central American Free Trade Agreement

**ELAP** – Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish Program

**EPA** – Environmental Protection Agency

**EQIP** – Environmental Quality Incentives Program

**ETBE** – Ethyl tertiary butyl ether, a renewable ether which uses ethanol as a feedstock.

**Extension** – NDSU Extension Service, established in 1914, which extends education to North Dakota residents through its land-grant university in the form of lectures, institutes, tours and demonstrations.

**FCIC** – Federal Crop Insurance Corporation

**FCS** – The Farm Credit System is made up of cooperatively-owned financial institutions that finance farm and farm-related mortgages and operating loans.

**FSA** – Farm Service Agency of the U.S. Department of Agriculture

**GMOs** – Genetically Modified Organism or Genetic Engineering (GMOs) are organisms produced from using techniques that alter the molecular or cell biology by means that are not possible under natural conditions or processes; genetic modification or genetic engineering includes recombinant DNA, cell fusion, micro and macro-encapsulation, gene deletion and doubling, introducing a foreign gene and gene repositioning; it does not include crop breeding, conjugation, fermentation and hybridization.

**GIPSA** – Grain Inspection, Packers and Stockyards Administration

**HMO** – Health maintenance organization

**Kyoto Protocol** – An international treaty that commits countries to reducing greenhouse gas emissions, based on the premise that global warming exists and manmade carbon emissions have caused it. The treaty was adopted in Kyoto, Japan, in December 1997.

**Marketing Loan** – A loan that provides income for operating and living expenses until a producer sells their crop. The loan provides a greater opportunity for producers to market their crop at a higher price. Loan rate caps are specified in law. Repayment provisions apply when market prices drop below loan rates.

**MFN** – Most Favored Nations status gives recipient nations preferential trading relationship with U.S.

**MTBE** – Methyl tertiary butyl ether, a petroleum-based additive to gasoline to increase octane; MTBE has been discovered in many municipal water systems and is a known carcinogen.

**NAFTA** – North American Free Trade Agreement; an international trade agreement linking Mexico, the United States and Canada; enacted in November of 1993.

**NASS** – National Agricultural Statistics Service

**NDSU** – North Dakota State University

**NFU** – National Farmers Union

**NDGF** – North Dakota Game and Fish Department

**NOP** – National Organic Program

**NOSB** – National Organic Standards Board

**Notch Years** – Approximately 1917 through 1921

**NRCS** – Natural Resources Conservation Service of USDA

**PAC** – Political Action Committee

**Parity** – Equality in the present purchasing power of a unit of a product compared with its purchasing power during the period 1910-14.

**Pugh Clause** – If at the end of the primary term of a lease a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units.

**PSC** – Public Service Commission

**REC** – Rural electric cooperative

**Retail Wheeling** – Allowing utilities to abandon current service territories and sell power in an open market to the highest bidder.

**RFS** – Renewable Fuel Standard

**RMA** – Risk Management Agency

**Rochdale Principles** – A set of ideals for the operation of cooperatives that was established by the Rochdale Society of Equitable Pioneers in Rochdale, England, in 1844, and have formed the basis for the principles on which cooperatives around the world operate today.

**RTC** – Rural telephone cooperative

**RUS** – Rural Utilities Service of the U.S. Department of Agriculture

**SBARE** – State Board of Agricultural Research and Education

**SMV** – Slow moving vehicle

**State Technical Committee** – Advisory board to NRCS that assists in developing technical guidelines necessary to implement conservation programs. Although the Committee has no implementation or enforcement authority, USDA gives strong consideration to the Committee's recommendations. The Committee is composed of representatives from soil, water, air, plant, wetland, and wildlife interests.

**Staggers Deregulation Act** – Law which regulates the rail industry.

**Sustainable** – Relating to or being a method of harvesting or using a resource so that the resource is not depleted or permanently damaged.

**T-Yield** – Transition yield based on a 10-year historical county average yield.

**Taft-Hartley Act** – A federal law that restricts the activities and power of labor unions.

**Triffid Flax** – In September 2009 it was reported that Canadian flax exports had been contaminated by a de-registered genetically modified variety, known as Triffid. Triffid had food and feed safety approval in both Canada and the U.S. However, Canadian growers and the Flax Council of Canada had raised concerns about the marketability of this variety in Europe. The variety was subsequently de-registered in 2001 and never grown commercially in Canada or the U.S. All stores of the seed were purportedly crushed or destroyed. Despite these precautions flax exports were found to contain traces of this transgenic flax variety which resulted in problems for Canada's flax growers and the industry at large, who export 70% of their product to Europe. The EU currently has a zero tolerance policy regarding GMOs.

**Territorial Integrity Act** – North Dakota legislation that prevents investor-owned utility (IOU) companies from interfering with the RECs mission of serving rural areas.

**USDA** – United States Department of Agriculture

**USFRA** – United States Farmers and Ranchers Alliance

**USFWS** – U.S. Fish and Wildlife Service

**Vomitoxin** – A mycotoxin that may be produced in wheat and barley grain infected by Fusarium head blight or scab.

**WRP** – Wetlands Reserve Program

**WSI** – North Dakota Workforce Safety and Insurance

**WTO** – World Trade Organization; body created to handle disputes between signator nations to the Uruguay Round of the General Agreement on Tariffs and Trade.