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PREAMBLE	FARMERS UNION POLICY STATEMENT.....	1
SECTION I	AGRICULTURAL PROGRAMS FOR THE FAMILY FARM .....	2
SECTION II	INTERNATIONAL COOPERATION AND THE FAMILY FARM... ..	16
SECTION III	LIVESTOCK DEVELOPMENT AND THE FAMILY FARM. ....	20
SECTION IV	RURAL DEVELOPMENT AND THE FAMILY FARM .....	25
SECTION V	COOPERATIVES AND THE FAMILY FARM .....	29
SECTION VI	LAND RESOURCES FOR THE FAMILY FARM .....	33
SECTION VII	NATURAL RESOURCES AND THE FAMILY FARM .....	38
SECTION VIII	ENERGY AND THE FAMILY FARM ... ..	46
SECTION IX	ECONOMIC POLICY AND THE FAMILY FARM ....	51
SECTION X	SOCIAL POLICY AND THE FAMILY FARM.. ..	59
SECTION XI	OUR FAMILY FARM ORGANIZATION. ....	68
	GLOSSARY ... ..	73
	INDEX.. ..	75

1. **PREAMBLE**

- 2.
- 3. The basic aims of Farmers Union are based upon our understanding of God and nature. We believe in this
- 4. nation, which holds the greatest hope for eternal freedom for humanity everywhere.
- 5.
- 6. Guided by our cooperative, legislative and educational goals, as illustrated by the Farmers Union triangle,
- 7. we are dedicated to the advancement of the profession of family farm agriculture and to providing a quality
- 8. of life for people everywhere.
- 9.
- 10. We, the members of North Dakota Farmers Union (NDFU), are committed to providing effective grassroots
- 11. leadership in rural America and to significantly increase net farm income, improve the quality of rural life
- 12. and increase North Dakota's rural population so that family farmers and rural communities can thrive and
- 13. prosper.
- 14.
- 15. We reaffirm our convictions of the truth and rightness of the ideals expressed in the Declaration of Independence,
- 16. the Constitution of the United States and its Bill of Rights.
- 17.
- 18. Only the family farm system of agricultural production can provide the opportunities of individual enterprise
- 19. to all farm families in our society. No other system can achieve the economic and social stability, the soil and
- 20. environmental stewardship and the production efficiency of the family farm.
- 21.
- 22. Ownership, operation and management of a farm unit should be vested within the family who farms and
- 23. makes a livelihood from that farm unit. Policies which encourage the separation of ownership, operation or
- 24. management of farm units are contrary to the interests of family farmers.
- 25.
- 26. State and federal programs must be targeted to benefit and protect the family farm. These policies can be
- 27. initiated through persistent and consistent efforts by family farmers working in solidarity with other sectors
- 28. of our society.
- 29.
- 30. The combined objectives set forth in this Policy Statement are adopted for the purpose of firmly re-establishing
- 31. the family farm structure as the primary system for agricultural production, rural and urban stability, national
- 32. prosperity, the preservation of human and natural resources and the dignity of the individual and the family.
- 33.
- 34.
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- 41.

1. **SECTION I. AGRICULTURAL PROGRAMS FOR THE FAMILY FARM**  
2.  
3. The owner-operated family farm and ranch is the keystone of a free, progressive, democratic society and a  
4. strong rural America; and is the basis of a secure and stable national food security system.  
5.  
6. Family farmers are the critical element in a dynamic system of communities and families that make up Rural  
7. America. A family farm is an agricultural unit of land and other capital investments operated by a farm operator  
8. and his or her family who provide the management, take the economic risk, are good stewards of the land,  
9. do most of the work required to operate the unit and depend on farming or ranching for a significant portion  
10. of their living expenses.

11.  
12. **1. NATIONAL FOOD AND FIBER POLICY**

13. Farm policy must be based on the following:  
14. A. Our nation’s agricultural policy must be directed away from the present course of industrialization  
15. and consolidation and toward an economic system that provides citizens the opportunity to own,  
16. control and work their own land, define their own destinies and remain contributing members of  
17. their communities and country. It is essential that the social and economic impact of any new farm  
18. program on rural communities be determined before proceeding.  
19.  
20. B. National farm policy must ensure that control of agriculture is vested with the family farm and reverse  
21. the decline in the number of family farms. It should foster a fair and competitive environment that  
22. allows farmers and ranchers to increase their net farm income, improve the quality of rural life, and  
23. continue to provide a safe, reliable supply of food and fiber to this country and the world.

24.  
25. **2. FARM POLICY OBJECTIVES**

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

30.  
31. A. Specific Federal Farm Policy Components  
32. (1) We support planting flexibility.  
33. (2) We should be given the right to update acreage bases and proven yields on all crops for each farm.  
34. (3) We support building in accountability to reduce government costs and reduce bureaucracy.  
35.  
36. (4) The new farm bill includes a weather-related disaster provision in the program. The program  
37. does not pay disaster payments to participants unless they enroll all of their commodity crops  
38. pasture, and hay land in some form of insurance coverage. There should not be cross-compliance  
39. of insurance coverage for raising commodity crops and production livestock in order to receive  
40. disaster payments. Ranching and grain farming are separate enterprises and should be treated as such.  
41. We must continue working to ensure disaster provisions are a permanent part of the farm bill.

1. (5) Beginning farmers and farmers raising new crops on which they have no production history
2. should have special consideration if disaster assistance is based on crop insurance losses
3. because they have to use T-yields until they establish proven yields.
- 4.
5. (6) We support a safety net that is countercyclical and indexed to current production costs.
- 6.
7. (7) We support directed program benefits, or targeting support to the production levels of family
8. farmers.
- 9.
10. Targeting would reduce government costs, further the sustainability of family farms and rural
11. communities and counter further consolidation.
- 12.
13. (8) We believe realistic and meaningful payments limits need to be implemented.
- 14.
15. (9) It's clear that payment limits as they are currently formulated are ineffective. This situation
16. undermines public support for farm programs so realistic and meaningful payment limits need
17. to be implemented. This means:
18. (a) The definition of a person who is actively engaged in production agriculture needs to
19. be strengthened to require active personal management and active personal labor in the
20. actual farming operation.
21. (b) That payments should be transparent and directly attributable to a person who meets the
22. criteria of actively engaged.
23. (c) We urge the Secretary of Agriculture to use his authority to prevent farm program benefits
24. from going to persons not actively engaged in producing agricultural products.
- 25.
26. (10) We oppose artificial subdivisions of farms in order to avoid payment limitations, such as the
27. three-entity rule.
- 28.
29. (11) We oppose farm program payments that are decoupled from production.
- 30.
31. (12) We support the removal of marketing loan caps and the upward equalization of commodity
32. marketing loan rates, based on the historic price relationship between commodities and equal
33. to USDA's cost of production. We support a flexible marketing loan period.
- 34.
35. (13) We support establishing a revolving, two-year, farmer-owned reserve of commodities to
36. provide an adequate supply of raw materials for use as emergency food or renewable energy.
- 37.
38. (14) We support a good stewardship program that rewards farmers for following conservation
39. practices.
- 40.
- 41.

1. Carbon sequestration is an innovative way to enhance income for producers and protect our  
2. environment. Therefore, the trading of carbon credits and the potential for inclusion of carbon  
3. sequestration as an agricultural conservation practice for green payments should be continued  
4. and supported.

5.  
6. North Dakota Farmers Union supports a national mandatory carbon emission cap and trade  
7. system to reduce non-farm greenhouse gas emissions, if agricultural offsets are recognized  
8. and USDA is in charge of the agricultural carbon credit program. Additionally, the Chicago  
9. Climate Exchange should continue and expand to allow for the continuation of financially  
10. compensating farmers and ranchers for their environmentally sound practices.

11.  
12. (15) We support giving the Secretary of Agriculture discretionary authority to institute a short-term  
13. inventory management program.

14.  
15. (16) Because of the current “free” trade environment, we support an international grains agreement  
16. to manage supply among exporters of commodities. This is necessary to address world supply  
17. and to avoid making the United States a magnet for imports. In addition, we support the  
18. establishment of an international food security reserve.

19.  
20. (17) We support the establishment of a short-term conservation reserve program of 3-5 years for  
21. land that has temporarily lost productivity.

22.  
23. (18) We support provisions in a farm bill for restoring competition in the marketplace and reviewing  
24. the impact of agribusiness mergers and consolidations on farmers and rural communities.

25.  
26. (19) We support granting the Secretary of Agriculture the authority to establish a paid land diversion  
27. program such as a flex/fallow program that pays farmers for diverting a percentage of a farm’s  
28. tillable acreage from production.

29.  
30. (20) Today’s global agricultural economy demands that federal farm policy address issues of trade by  
31. ensuring that American producers have the tools necessary to compete in a global market.

32.  
33. We support matching the European Union’s level of program supports for their farmers.

34.  
35. (21) NDFU supports adequate funding of the conservation security program (CSP) and other  
36. conservation programs.

37.  
38. (22) Farm policy should not be developed for multinational corporations, processors, exporters,  
39. integrated livestock producers or other similar firms that profit from low commodity prices.

40.  
41.

1. (23) Attempts to reduce funding through budget reconciliation, diversion of funds to other programs  
2. or other program cuts should be prohibited through the life of the farm bill title.  
3.

4. B. National Marketing Agency

5. The authority of the Commodity Credit Corporation (CCC) should be expanded to serve as a  
6. marketing agency to contract for the export or import of designated commodities and have a board  
7. composed of operating farmers elected by farmer producers of those commodities regulated.  
8.

9. (1) It should develop barter agreements, especially with less developed nations.  
10.

11. (2) It should enter into long-term agreements and contracts with other nations for the sale of U.S.  
12. agricultural exports.  
13.

14. C. National Food Security Reserve

15. National food security reserves must be established for storable commodities to ensure a 45 to 60  
16. day supply to meet domestic and export requirements.  
17.

18. (1) These reserves are to be carried on the farm or in the country elevator.  
19.

20. (2) The program should include provisions for continual rotation on a first-in, first-out basis. The  
21. release price should be set at a level to ensure that the reserve does not depress the market  
22. price.  
23.

24. (3) The cost of storage is to be determined by the normal charge of storage set by trade practices.  
25. Storage payments to producers should reflect the actual storage costs in publicly licensed  
26. warehouses.  
27.

28. (4) When CCC does not complete grain settlements with elevators and warehouses within 90 days,  
29. interest should be paid from the first day.  
30.

31. D. Sugar

32. Effective price support programs to provide security for domestic producers of sugar must be  
33. continued. We oppose a federal price cap on sugar.  
34.

35. The farm law should contain provisions for a realistic import quota of foreign sugar and protection  
36. from the dumping of subsidized foreign sugar on the domestic market.  
37.

38. USDA should administer the sugar program at no cost to taxpayers. This should prevent any sugar  
39. forfeiture to the government and avoid farm program costs.  
40.  
41.

1. **3. VALUE-ADDED AGRICULTURE**

2. We believe family farmers and ranchers will continue to be impacted by low commodity markets, which  
3. leaves them at financial risk. Global competition and international trade rules that favor finished products  
4. over raw commodities will also keep profit potential low on the farm. Given these realities, value-added  
5. agriculture remains an important tool for producers to gain a more substantial share of the food dollar  
6. profits. NDFU will continue to be a leader in value-added agriculture projects and promote opportunities  
7. that have the potential to diversity farm and ranch income.

8.  
9. **4. SUSTAINABLE AGRICULTURE**

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

15.  
16. **5. ORGANIC POLICY**

17. North Dakota Farmers Union recognizes the growing importance of organic family farming. Organic  
18. farming is a management-intensive technology, not merely a list of acceptable or prohibited materials,  
19. designed to achieve a balance in the agricultural and livestock system similar to that found in natural  
20. systems.

21.  
22. We support:

- 23. A. The enforcement and monitoring of the national organic standards promulgated by USDA;
- 24.
- 25. B. Maintaining and protecting the integrity of organic labeling;
- 26.
- 27. C. Labeling standards encouraging the sale of organic products while not limiting opportunities to
- 28. market other natural or sustainably produced food products;
- 29.
- 30. D. Ensuring accreditation and certification costs do not discriminate against small producers;
- 31.
- 32. E. Requiring USDA to maintain the role of the National Organic Standards Board (NOSB) as the of-
- 33. ficial source of developing policies and procedures to interpret and implement the federal organic
- 34. standards;
- 35.
- 36. F. Maintaining organic livestock production standards that are uniform and account for feeding and
- 37. animal health care practices for continuous or transitional organic management;
- 38.
- 39. G. Updating National Organic Program (NOP) standards to fully comply with the European Union
- 40. (EU).
- 41.

1. **6. MARKET CONCENTRATION**

2. We are opposed to continued concentration in marketing and processing of all agricultural products. We  
3. believe the federal antitrust laws must be strengthened and vigorously enforced to preserve the future  
4. of the family farm.

5.  
6. Agencies with jurisdiction should be provided adequate funding and staff to vigorously prosecute the  
7. violators of antitrust laws.

8.  
9. We oppose the vertical and horizontal integration of corporations that create unfair competition with  
10. family farm operations.

11.  
12. The use of contracting in crop and livestock production is increasing, often to the detriment of the pro-  
13. ducer. In order to protect farmers and ranchers from unfair contracts and other anti-competitive practices,  
14. we support legislation creating a contract producer's bill of rights.

15.  
16. **7. CROP INSURANCE**

17. A. In order to adequately cover a farmer's expenses, we call for the continuation and improvement of all  
18. crop insurance and coverage on all North Dakota crops.

19.  
20. The grading of durum for claim purposes should be by durum standards, not spring wheat  
21. standards.

22.  
23. Pulse crops have become a major part of the crop rotation for producers to aid them in controlling  
24. weeds, diseases and fertilizer needs. Therefore, we support the Northern Pulse Growers Associa-  
25. tion in their effort to improve the rotational restrictions for broadleaf crops now being used by the  
26. Federal Risk Management Agency.

27.  
28. B. We call for crop insurance reforms that protect producers against quality losses, yield reduc-  
29. tions and make coverages available up to the cost of production. The effects of quality losses and  
30. multi-year claims on production histories must be minimized so that a producer's coverage is not  
31. diminished.

32.  
33. We support development of affordable supplemental insurance programs to protect producers in  
34. the event of natural disasters.

35.  
36. We support a policy which covers a certain dollar amount per acre such as hail coverage.

37.  
38. C. We ask that the rules for crop insurance, once established, should not be changed during that crop  
39. year.

40.  
41.

1. D. We propose permanent disaster protection in the form of increased subsidies of higher levels of  
2. crop insurance.  
3.
4. E. We urge carbon sequestration not be biased toward a single practice, such as no-till, but instead  
5. encompass all agricultural practices, including grazing lands, energy feedstock production, organic  
6. cropping, wood lots, the Conservation Reserve Program, and other proven conservation methods.  
7.
8. F. Federal Crop Insurance should give producers the option to break down units into quarter sections  
9. or 80 acre parcels when determining production and loss instead of using a whole section.  
10.
11. G. We call for the Federal Crop Insurance Corp. to offer coverage for non-GMO organic crops based  
12. on current non-GMO organic prices and recognize and accommodate the unique production and  
13. actuarial experience of producers of certified organic commodities.  
14.
15. H. We ask that the Federal Crop Insurance Corp. amend and change their policy language to eliminate  
16. their definition of “fire coverage.” The definition should include “any non-arson” fire and not “natural  
17. occurring,” as is the present definition.  
18.

19. **8. UNITED STATES DEPARTMENT OF AGRICULTURE**

20. A. The Department of Agriculture must be retained and revised to support the American family farmer.  
21. We support the efforts to reorganize USDA to a more efficient and farmer-friendly organization.  
22.
23. B. We urge USDA to better publicize programs that are directly beneficial to agricultural producers.  
24.
25. C. We favor elected farmer committees to administer farm programs and are opposed to any political appointees  
26. to these committees. We strongly recommend that producer rights be protected in USDA. USDA shall  
27. establish an appeals system based on fairness and equality.  
28.
29. D. We recommend the deadline for crop insurance premiums be adjusted to reflect the late season  
30. crops that aren't harvested until late October or November. The current deadline is October 1. This  
31. should be extended until December 30.  
32.
33. E. We urge continued research and funding of alternative agricultural technologies and sustainable  
34. systems which would benefit family farmers.  
35.
36. F. We recommend that USDA fund on-the-farm research and demonstrations that are being implemented  
37. by farmers.  
38.
39. G. We urge the United States to adopt a law similar to the present Canadian law, restricting transportation  
40. of potential sources of noxious weeds from crossing international boundaries.  
41.

1. H. We urge USDA to distinguish between imported and American-grown agricultural products in U.S.  
2. production numbers.

3.  
4. I. NDFU proposes that federal and state agencies coordinate and share information in order to avoid  
5. duplication of services and reduce cost to producers. (For example, Risk Management Agency,  
6. Crop Insurance Adjustors, Farm Service Agency, Natural Resources Conservation Service, etc.)

7.  
8. J. We oppose mandatory closing or consolidation of FSA or NRCS offices.

9. **9. FEDERAL AG POLICY**

10. We urge Congress to establish a federal watch dog division that our FSA, NRCS, Fish and Wildlife must  
11. be held accountable for their actions in dealing with farmers and rural issues.

12.  
13. North Dakota Farmers Union urges the President, Attorney General and Congress to direct the United  
14. States Drug Enforcement Administration to differentiate between industrial hemp and marijuana, and  
15. adopt a policy to allow American farmers to once again grow industrial hemp, thereby legalizing the  
16. production of industrial hemp and its use in American manufacturing efforts, without requiring DEA  
17. licenses.

18.  
19. **10. STATE AGRICULTURAL POLICY**

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

23.  
24. A. The state of North Dakota should make every effort to develop reciprocal agreements with its  
25. neighboring states to provide for livestock brand inspection and disease control measures.

26.  
27. B. We support movement of public funds collected for brand registration, brand inspections and estrays  
28. to be moved to the appropriate state agency.

29.  
30. C. We support adequate federal, state and county funding and urge strict enforcement of laws that would  
31. assure the control of noxious weeds, such as leafy spurge, and insects, such as grasshoppers, on  
32. state, federal, public and private land, including wildlife land, railroad and highway right-of-ways  
33. and Conservation Reserve Program (CRP) acreages. We particularly urge increased emphasis in  
34. the development of biological controls within coordinated weed and pest control programs.

35.  
36. D. We urge NDSU, the North Dakota Agriculture Department, the ND Legislature and SBARE to  
37. promote increased livestock production, dairy production, and other alternative livestock production  
38. and processing in North Dakota.

39. E. We urge the North Dakota Legislature and the governor to support the funding of agricultural  
40. research. Recognizing the adverse economic impact on North Dakota, we support stepping up research  
41.

1. and increasing funding for combating crop diseases, particularly scab (fusarium head blight). We  
2. support continuation of the NDSU extension service in a form that best serves the needs of North  
3. Dakota.  
4.
5. Funding for agricultural research should be primarily from state and federal public funding sources.  
6. We urge that any research generated at public research institutions remain in the public domain.  
7.
8. F. We are concerned about the goals of North Dakota State University and ask that the purpose and  
9. policies of the university be reviewed and directed toward family farm agriculture.  
10.
11. G. We support NDSU's efforts to improve the working agreements between the College of Agriculture,  
12. Research and Extension.  
13.
14. H. Donations made to university and/or college research departments (or given to the college or  
15. university and designated for research) must be disclosed to the Board of Higher Education and  
16. shall remain an open record, available for public review.  
17.
18. I. The North Dakota State Mill and Elevator should preferably purchase grain produced in North  
19. Dakota.  
20.
21. J. We oppose any proposal to sell or deplete the assets of the North Dakota State Mill or the Bank of  
22. North Dakota.  
23.
24. K. We recommend that elk, deer, buffalo and other forms of non-traditional livestock, including  
25. aquaculture, when raised as privately-owned domestic livestock and part of legitimate agriculture, be  
26. recognized as domestic or domesticated livestock by North Dakota and the United States Department  
27. of Agriculture, and encourage other individual states to take similar action.  
28.
29. L. We support maintaining the Pride of Dakota program, which is best managed by the State Ag  
30. Department.  
31.
32. M. We will continue to support the Agricultural Products Utilization Commission (APUC). We recommend  
33. continued monitoring of APUC to ensure that the focus remains on providing benefits to North Dakota  
34. farmers/producers. We urge the North Dakota Legislature to remove APUC from the budget of the  
35. Department of Commerce and return APUC to independent budget line-item status.  
36.
37. N. We support continuation and expansion of Dakota Pride Cooperative.  
38.
39. O. We urge that facilities and institutions within the state be strongly encouraged to purchase fuels  
40. made and foods grown and processed within the state. The goal should start at 10% state produced  
41. products and build toward 50% in ten years to enable growers and infrastructure to be developed

1. to supply the demand. The State should use an incentive program to promote this type of economic  
2. development. NDFU should set an example in its food service and meals.

3.

4. **11. COMMODITY PROMOTION AND CHECK-OFFS**

5. Commodity promotion programs can be valuable tools for consumer education and market development.  
6. We recommend that research and promotion programs financed through producer check-offs be closely  
7. evaluated to see whether such programs are strictly farmer-controlled. We believe that such programs  
8. should include the following criteria:

9.

10. A. Approval by a majority of producers voting individually in a referendum by mail, with at least  
11. 30% of eligible voters participating. The referendum should be held prior to the imposition of the  
12. check-off.

13.

14. B. Programs being formulated or currently in operation be subject to review at any time on the call of  
15. 10% of producers concerned. There should be a reauthorization vote every five years.

16.

17. C. A procedure be provided to enable producers to obtain refund of check-off funds without delay or  
18. hindrance on an annual basis. Refund application blanks should be provided by the purchasers of  
19. the commodity.

20.

21. D. Criminal penalties be provided for using funds for personal, political or lobbying activities. No  
22. funds should be donated or contracts provided to organizations for the use of political or lobbying  
23. activities.

24.

25. E. Changes in existing check-off programs, including changes in check-off levies and/or administrative  
26. and operational changes be submitted to the producers affected and subject to approval by a majority  
27. vote.

28.

29. F. Check-off programs which derive their collection authority from North Dakota state law must  
30. appear before the appropriate legislative committees to account for the funds expended on behalf  
31. of producers before receiving further spending authority and be subject to open record laws.

32.

33. G. The budgets and use of funds of commodity check-offs must maintain at least 60 percent for research  
34. and development.

35.

36. H. We oppose the merger of U.S. Wheat Associates, Wheat Export and Trade Education Committee,  
37. and the National Association of Wheat Growers into one organization.

38.

39. I. NDFU supports legislation that allows our member's to have input into the nominations of North  
40. Dakota Beef Commission members.

41.

- 1. J. NDFU urges the National Farmers Union to act as a contracting agent for the National Beef Check-off whenever possible.
- 2.
- 3.

4. **12. COMMODITY RESEARCH AND DEVELOPMENT**

- 5. A. We support the Northern Crops Institute and urge that its budget and appropriations continue to be
- 6. kept separate from North Dakota State University's budget and that it maintain a producer board.
- 7.

- 8. B. We urge that the royalties received by NDSU for the sale of protected varieties of seed be used
- 9. strictly for research and development of new or improved seed varieties and that a financial report
- 10. be published once a year.
- 11.

- 12. C. We urge research and orderly development of alternate crops and alternative uses of agricultural
- 13. commodities. We support the implementation of identity-preserved marketing systems to help the
- 14. farm producer retain more of the income from marketing alternative crops into niche markets.
- 15.

- 16. D. We oppose patenting of any life forms.
- 17.

- 18. E. We support increased funding for research for combating all crop diseases and pests.
- 19.

- 20. F. Publicly funded and other agricultural research at our land grant colleges should not promote the
- 21. industrialization of agriculture. For example, biotechnology can be a tool for either the advancement
- 22. of family farm agricultural systems or industrialized agricultural systems. Such technologies must
- 23. be carefully monitored to ensure that they are not destructive to family farm agriculture, farm
- 24. stewardship, open agricultural commodity markets and our rural communities.
- 25.

- 26. G. We support the United Nations' treaty for plant genetic resources for food and agriculture.
- 27.

28. **13. COMMODITY MARKETING**

- 29. A. We request the Department of Agriculture's reporting service to furnish accurate and timely reports
- 30. on world and domestic crop conditions, supplies and needs of exporting and importing countries to
- 31. producers, as well as the grain trade.
- 32.

- 33. B. We urge federal legislation to direct bankruptcy courts to recognize warehouse receipts and sales tickets as
- 34. proof of ownership of stored grain to ensure that farmers holding these would not see their interest come
- 35. in second to those of other creditors in cases of elevator bankruptcy.
- 36.

- 37. C. We urge the establishment of a federal storable commodities insurance corporation to guarantee that
- 38. each farmer will be protected up to \$150,000 for each commodity stored, delivered or contracted
- 39. to licensed commodity dealers.
- 40.
- 41.

1. D. We call for continued Congressional monitoring of all commodity exchanges and futures contracts,
2. including derivatives.
- 3.
4. E. We support the Captive Supply Reform Act requiring a fixed base price in formula contracts and
5. requiring that contracts be traded in open, public markets.
- 6.
7. F. We believe that commodity markets, in order to more accurately represent the true relationship
8. between supply and demand, should have reforms. These reforms include:
- 9.
10. (1) Guarding against insider trading by individuals or firms that possess foreknowledge of significant
11. price changes due to large market transactions.
- 12.
13. (2) Examining and investigating the role of increasing market power funds, the connections between
14. the funds and large commercial interests, and the ability of these organizations to exchange
15. resources and information for the purpose of driving down commodity prices, and thus lower
16. the prices farmers are paid for their products.
- 17.
18. (3) Monitoring and guarding against proposals by the commodity futures exchanges impacting
19. trading rules and trading limits that would increase market volatility to the detriment of
20. agricultural producers.
- 21.
22. G. Farm commodities, including grains, should be priced according to commonly understood measures
23. of weight such as pounds.
- 24.
25. H. We urge development of a universal grain grading and testing system which is binding to both the
26. buyer and seller.
- 27.
28. I. We oppose any privatization of federal grain inspection services.
- 29.
30. J. We urge the Federal Grain Inspection service to regulate the falling numbers grain grading criteria
31. that is currently being used.
- 32.
33. K. We urge that oil, protein, moisture testers and truck scales be checked and calibrated on a regular
34. basis by state or federal departments of grain inspection or weights and measures.
- 35.
36. L. A premium equal to the shrinkage loss should be paid at market price to a farmer for grain testing
37. at lower than the dry grain moisture standard for such grain.
- 38.
39. M. We urge all grain inspection services and individual elevators standardize vomitoxin testing to
40. ensure validity and accuracy.
- 41.

1. N. We support a program of education in all marketing tools including the risks/benefits of each  
 2. tool.  
 3.  
 4. O. In the event of credit-sale contracts, we support requiring those who write the contracts to obtain  
 5. credit-sale bond coverage.  
 6.  
 7. P. We support the continuation of an indemnity fund with a cap of 10 million dollars for grain credit  
 8. sales and delayed price contracts in order to provide protection to credit sale patrons in insolvency  
 9. cases. Funding should be generated by an assessment to the producers who take the credit sales and  
 10. delayed pricing contracts.  
 11.  
 12. Q. We recommend the grain elevator indemnity fund provide guarantees as follows for each deferred  
 13. 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%      |
19.  
 20. R. We oppose any effort by USDA to withhold licensing of state elevators also licensed by individual  
 21. states.  
 22.

23. **14. BIOTECHNOLOGY**

24. Biotechnology, genetically modified or enhanced organisms, gene therapy and transgenics are terms of  
 25. increasing importance to producers. Biotechnology affects a broad range of issues including production,  
 26. income, trade, farm business structure, environment and food safety.  
 27.  
 28. A. We are opposed to biotechnology being used to accelerate structural changes in U.S. agriculture  
 29. that leads to further vertical integration of agribusiness and results in an even smaller share of the  
 30. revenue from production going to the producer.  
 31.  
 32. B. We acknowledge concerns that biotechnology is being used as a trade barrier, however, we respect  
 33. other nations' sovereignty and food policies and urge open dialog, cooperation and understanding  
 34. in trade negotiations relating to biotechnology.  
 35.  
 36. C. We recognize that biotechnology presents both opportunities and risks for producers and consumers;  
 37. therefore, we urge each application of biotechnology and its impact to be weighed individually, rather  
 38. than accepting or rejecting biotechnology as a whole. In addition, we urge all individual applications  
 39. to be evaluated as to its overall impact, including any economic, social, political, environmental,  
 40. health and safety issues that may arise due to the new technology. Genetic material resulting from  
 41.

1. plant breeding and biotechnological research done in publicly-funded institutions must be disclosed  
2. and remain in the public domain rather than private patents.

3.  
4. D. We recognize that sound, publicly-supported scientific research is necessary to answer the many  
5. questions which exist, and emphasize that any research plots must be isolated to prevent any possibility  
6. of contamination to our breeder, foundation, registered, certified and organic seed stocks.

7.  
8. E. We support the state imposing a moratorium on the introduction, importation, certification and  
9. commercialization of genetically-engineered wheat, including all classes of wheat, until issues  
10. of cross-pollination, liability, commodity and seed stock segregation, and market acceptance are  
11. adequately addressed.

12.  
13. F. We support Congress and the Secretary of Agriculture to impose a moratorium on the introduction,  
14. importation, certification and commercialization of genetically-engineered wheat, including all  
15. classes of wheat, until issues of cross-pollination, liability, commodity and seed stock segregation,  
16. and market acceptance are adequately addressed.

17.  
18. G. We support legislation to exempt farmers from paying royalties on patented farm animals and  
19. technical fees on seeds which have been genetically modified.

20.  
21. H. We oppose the further use of tax dollars in developing terminator technology, e.g., a gene to ensure  
22. that seed will not reproduce. We urge legislation to prohibit the development and selling of seed  
23. that is sterile. We support the right of farmers to plant seed derived from proprietary organisms on  
24. their own land.

25.  
26. I. Companies owning the patent on transgenic crops must be legally responsible for damages caused  
27. by genetic trespass rather than holding farmers solely responsible for damages.

28.  
29. J. We encourage Congress and our state legislature to regulate the biotech industry's technology  
30. agreements. Farmers should not have to sign away their fundamental right to a jury of their peers  
31. in court in exchange for the privilege of growing biotech crops. Grievances should be settled in the  
32. home state of the farmer not the state of the biotech corporation.

### 33. 34. **15. LABELING OF COMMODITY PRODUCTS**

35. A. We support mandatory country-of-origin labeling for agricultural products. In order to qualify as  
36. U.S. produced, meat products must come from an animal born, raised and slaughtered in the U.S.  
37. and fresh produce and peanuts must be exclusively grown and processed in the U.S. Mandatory  
38. country-of-origin labeling is a valuable marketing tool for producers and it allows consumers to  
39. know where their food is produced.

40.  
41. NDFU urges USDA to follow the intent of Congress regarding mandatory COOL that US beef be

1. labeled product of the U.S. and the rules be re-written to reflect this intent.
- 2.
3. B. We recommend that the trademark (Real Seal) continue to be used on all food products containing
4. dairy products.
- 5.
6. C. U.S. producers must comply with rigorous standards regulating food production in our country,
7. including application and use of pesticides and herbicides, minimum wage requirements, working
8. conditions, housing, conservation and inspections of food production. We recommend all food
9. products should be labeled to list the ingredient's nutritional value and country of origin. Canned,
10. fresh and frozen products should be dated when packaged. We endorse uniformity in product claims,
11. such as "light," "low fat," etc.
- 12.
13. D. We support the "Pride of Dakota promotion program.
- 14.
15. E. We recommend that food products be labeled with the correct ownership of the parent company
16. and country of origin. The seal should be plainly visible to the consumer.
- 17.
18. F. We encourage the freedom of agricultural producers and processors to accurately advertise, label
19. and promote products as hormone-free, antibiotic-free, non-genetically altered or exceeding national
20. organic standards.
- 21.
- 22.

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

24.

25. The goal of the United States in international trade and political relationships must be to stabilize world

26. agricultural production and ensure that all of the world's populations have adequate food to meet daily human

27. nutritional needs.

28.

29. As a leading exporter of food into the world market, the United States must recognize that any unilateral action

30. it takes will have profound effects on international food trade and will significantly impact food producing

31. and importing nations, especially developing nations.

32.

33. The United States must use its leadership role as a food producer to develop responsible international trade

34. policies and to increase world food security through cooperative agreements among nations.

35.

36. **1. INTERNATIONAL TRADE**

37. We believe that expansion of trade can only be achieved by first stabilizing current trading conditions.

38. The unregulated free trade system of the United States is a dangerous destabilizing force in world

39. food production which will lead to boom and bust market cycles for producers and price swings for

40. consumers.

41.

1. Exporting at less than the cost of production is a purposeful short-changing of producers to the benefit
2. of the grain trade. Cost of production includes, but is not limited to uniform working conditions, labor
3. laws and equal treatment of the environment regardless of political borders.
- 4.
5. North Dakota Farmers Union calls for attention on the following trade issues.
- 6.
7. Support for:
  8. A. Trade as long as it is fair trade. We support a fair trade system that strengthens the health, environment,
  9. food sovereignty, working conditions and labor rights of all countries. Vibrant national economies
  10. are essential to a healthy global community.
  - 11.
  12. B. Concerns that definitions of trade-distorting subsidies as addressed by the U.S. Trade Representative.
  13. These definitions could eventually include all state and federal programs that provide regulatory,
  14. economic and social services to rural areas.
  - 15.
  16. C. The use of an end-use certificate for any grains or livestock coming into the United States.
  - 17.
  18. D. The creation of a North American Marketing Board which producers could use to enhance their
  19. marketing power. This effort to work with Canada and other countries on a voluntary basis would
  20. allow for joint marketing of our agricultural commodities.
  - 21.
  22. E. The U.S. EPA sharing testing procedures with our trading partners so that our producers are not put
  23. at a financial disadvantage.
  - 24.
  25. F. Harmonization of farm chemicals in price and usage between the United States and other countries.
  26. We support the concept of the chemical harmonization program.
  - 27.
  28. G. Ending the embargo and normalizing trade relations with Cuba.
  - 29.
  30. H. All existing quarantine requirements be strictly adhered to as set forth by USDA/APHIS regarding
  31. imports of livestock and other commodities.
  - 32.
  33. I. Transparent competitive market principles and adequate antitrust/anti-collusion measures.
  - 34.
35. Opposition to:
  36. A. The Trade Promotion Authority System for ratification of trade agreements in which the entire trade
  37. package must be approved without amendment or rejected in total by Congress within a 60-day
  38. time limit.
  - 39.
  40. B. Embargoes on farm commodities. In the event of an embargo, we urge Congress to require that 100
  41. percent of parity price supports be automatically triggered.

1. C. The strong-arm tactics of today's ag chemical companies in regard to patent infringement laws.
- 2.
3. D. The World Trade Organization (WTO) and its current methods of trade negotiation. We oppose
4. proposals that call for a worldwide decoupling and dismantling of domestic farm stabilization
5. programs.
- 6.
7. E. Defining trade-distorting subsidies to include state and federal programs that provide regulatory,
8. economic, and social services to rural areas.
- 9.
10. F. Predatory marketing practices that cause a decline of market competition.

## 12. **2. AGRICULTURAL TRADE AGREEMENTS**

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

16.  
17. We call for a formal, thorough analysis of current agricultural trade agreements to determine their success  
18. at meeting their stated goals before any new bilateral or regional trade agreements are negotiated or  
19. approved.

20.  
21. NDFU supports trade laws, agreement and treaties that ensure:

- 22.
23. A. The right and ability of the United States and other nations and their political subdivisions to maintain
24. and operate policies and programs that protect their interests of public health, safety, welfare and
25. services.
- 26.
27. B. Transparent competitive market principles and adequate antitrust/anti-collusion, predatory practices
28. and continuing decline of market competition.
- 29.
30. C. Imported commodities and products are subject to inspection and testing to assure that they are
31. mined, grown and/or produced under standards that are consistent with all domestic laws and
32. regulations.
- 33.
34. D. Any agreement affecting trade that does not undermine the laws, jurisdiction or sovereignty of a
35. country and its political subdivisions. The importer and/or seller of any commodity, product or
36. service should be liable for any violation of domestic laws and regulations, with jurisdiction and
37. venue for such legal challenges residing in the pertinent domestic court.
- 38.
39. E. All products, services and commodities that are imported shall be purchased in an open, competitive
40. and transparent market system.
- 41.

1. F. All imported products have an identified fair market value that may be used as the basis for an
2. infrastructure tax.
- 3.
4. G. Quotas and/or tariffs on any commodity or product of any country when currency exchange rate
5. differences put domestic producers at a competitive disadvantage.
- 6.
7. H. Any agreement that is negotiated and enacted through a transparent democratic process.
- 8.
9. I. The outlawing of export subsidies that allow dumping of agricultural products into the international
10. marketplace at less than the cost of production.
- 11.
12. J. A high standard of health, sanitation and environmental standards to upgrade and bring the quality
13. of agricultural commodity imports to at least the standards required of United States' producers and
14. processors due to concerns of bioterrorism and food-borne illness. We also support the recognition
15. of the right of nations to develop their own domestic food security and supply-management
16. programs.
- 17.
18. Due to the recent concerns with poor quality standards of products made and exported from China,
19. we call for stricter enforcement of inspections.
- 20.
21. K. The development of international pricing agreements with minimum and maximum price levels
22. fair to both producers and consumers.
- 23.
24. L. The establishment of international food reserves in which both importing and exporting nations
25. share in the costs of maintaining these reserves and in making necessary production adjustments
26. in times of surplus.
- 27.
28. M. Reciprocity in trade that addresses massive U.S. trade deficits.
- 29.

30. Opposition to:

31. A. The North American Free Trade Agreement
- 32.

33. We call upon Congress to closely monitor the North American Free Trade Agreement (NAFTA)

34. and its side agreement. Therefore, we support reintroduction of the NAFTA Accountability Act.

35.

36. We urge agricultural producers of all three nations to find avenues of cooperation that will be

37. mutually beneficial in stabilizing production and prices and in exporting our production into the

38. world market.

39.

40.

41.

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

5.  
6. We call for a Congressional investigation into the formula and the calculations used within the  
7. existing Free Trade Agreement to determine the level of agricultural subsidies in each country. We  
8. believe the formula and the calculations to be detrimental to U.S. producers.

9.  
10. C. The Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) and the Australian  
11. Free Trade Agreement (AFTA).

12.  
13. We call upon Congress to closely monitor DR-CAFTA and AFTA and advocate for accountability  
14. for each agreement.

15.  
16.  
17.

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

19.

### 20. **1. DAIRY POLICY**

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

23.

24. North Dakota Farmers Union urges Congress to develop a comprehensive dairy program that will create  
25. an equitable means of pricing milk that does not disadvantage dairy producers.

26.

27. This policy should:

28.

29. A. Oppose any further reduction in support levels on milk;

30.

31. B. Call for a single nationwide milk marketing order. Location specific differentials as part of the  
32. federal restructuring of the milk market order system should only be adopted if the differentials are  
33. coupled with a base price on all classes of milk;

34.

35. C. Support legislation to clarify that milk protein concentrates (MPCs) are the concentration of milk  
36. proteins from fluid milk. Milk proteins from reconstituted (powdered milk products) cannot be  
37. considered a concentrated product and therefore classified as a remanufactured milk protein powder  
38. and be assessed a tariff similar to other imported milk powders;

39.

40. D. Support the diagnostic team approach and encourage its expansion to all livestock and dairy farms  
41. in North Dakota;

1. E. Provide transparency in milk price reporting; and
- 2.
3. F. Include a base price policy for milk. The base price should help producers in all regions of the
4. country and provide for supply management. The base price should be set at a level that allows
5. producers to earn a fair return on their milk from the marketplace.”
- 6.

## 7. **2. LIVESTOCK**

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

11.  
12. Our organization will remain a leader within the livestock industry, actively promoting its growth through  
13. leadership programs, business ventures and responsible livestock policy.

14.  
15. This policy should:

16. A. Favor the humane treatment of animals and encourage open dialogue with animal welfare groups;  
17. however, it should urge caution in passing laws regarding animal rights so that sound management  
18. practices are not adversely affected;

19.  
20. B. Favor continuation of livestock grazing on federal lands and maintaining reasonable grazing rates  
21. to continue a viable livestock industry;

22.  
23. C. Support the dissolution of the monopoly that major meat packers have and the control they have  
24. on finished cattle inventory;

25.  
26. D. Support mandatory price reporting by meat packing plants;

27.  
28. E. Support like-minded livestock organizations;

29.  
30. F. Oppose the USA beef industry being referred to as a North American herd.

31.  
32. G. Oppose the ban on the slaughter of horses.

33.  
34. H. Support the creation of a Livestock care policy board in ND similar to the Ohio Livestock CARE  
35. Standards Board.

## 36. 37. **3. LIVESTOCK PRODUCTION RECOMMENDATIONS**

38. North Dakota Farmers Union recognizes that family farm agriculture and good sound environmental  
39. practices need to work together. Our policy encourages a well-balanced, sensible environmental policy  
40. that protects the public and the environment without unduly burdening family farmers through excessive  
41. regulation or economic hardship.

1. A. Implications of Scale

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

8.  
9. While stewardship is essential at every level of livestock production, the current mega farm trend  
10. in livestock production has consequences that need to be addressed at a different level than small-  
11. scale production. The large amount of waste generated by industrial-sized production presents a  
12. considerable waste management challenge. In addition to the detrimental effects large quantities of  
13. waste can have on land and water, there are also concerns that waste containing bacteria, viruses,  
14. and other possibly dangerous organisms being released into the environment in huge volumes could  
15. lead to public health issues.

16.  
17. However, there is general concern that any additional regulations aimed at industrial-sized agriculture  
18. would lead to costly and intrusive measures for all producers that could force small to medium-sized  
19. producers out of business.

20.  
21. North Dakota Farmers Union supports a tiered system that determines the degree of regulation by  
22. the size of the operation.

23.  
24. B. Federal Regulation

25. The Environmental Protection Agency has established national standards for large-scale confinement  
26. operations or CAFOs (Confined Animal Feeding Operations).

27.  
28. Because there is a great variance in environmental conditions from state to state and even within  
29. each state, broad national guidelines may not be appropriate for every location.

30.  
31. North Dakota Farmers Union supports national minimum guidelines or standards that give primacy  
32. for implementation and flexibility in regional planning to the states. A national policy should dis-  
33. courage polluters from “shopping” among the states for the lowest environmental standards and  
34. encourage states and localities to establish standards beyond the federal minimums.

35.  
36. C. State Regulation

37. North Dakota Farmers Union supports state standards that are on a graduated system of at least  
38. three tiers, small, medium and large. They should be implemented with a sliding scale of standards  
39. that address each size operation.

40.  
41. North Dakota Farmers Union urges the North Dakota Department of Health to issue rules for large

1. CAFOs that prohibit locating over glacial aquifers, require bonding and provide an opportunity for  
2. a public vote through the administrative process.

3.  
4. North Dakota should safeguard the right of political subdivisions to enact and enforce their own  
5. zoning ordinances and we strongly encourage all townships and counties to establish their own  
6. standards, so long as minimum state requirements are met.

7.  
8. **D. Specific Recommendations for Large-Scale Facilities:**

9. (1) North Dakota Farmers Union supports holding animal “owners” responsible for spills as it per-  
10. tains to contract feeding, which shifts the responsibility from the contract feeder to the corporate  
11. owner. However, it is important to note that since corporations cannot “own” livestock in ND  
12. under NDCC 10-06, this would not have the desired effect of holding corporations financially  
13. responsible for spills or flawed animal waste storage pond designs. A more appropriate state  
14. policy would be to draw capital investors or animal waste storage pond designers into the chain  
15. of liability.

16. (2) Because technology exists that reduces environmental impact, enhances the quality of life for  
17. neighbors and communities, and encourages increased production, North Dakota Farmers Union  
18. supports using a higher standard of technology for waste storage than an open air animal waste storage  
19. pond. New and expanding large scale operations should be required to utilize new technologies.

20. (3) In order to protect the rights of both farm and non-farm citizens, North Dakota Farmers Union  
21. supports setback distances. New facilities should be located at a setback from existing resi-  
22. dences (residence on the facility not applicable), businesses, churches, schools or public use  
23. areas. Conversely, existing operations should be protected from encroaching development.

24. (4) Permit applicants must prepare and submit a manure management plan containing detailed  
25. information regarding proposed method of distribution (optimum crop schedule, timing and  
26. location of applications, calculations about how much land is necessary for application, meth-  
27. ods to reduce/eliminate potential water pollution and odor, and detailed records for 3-5 years  
28. following application detailing methods and dates of application.)

29. (a) Application of waste should be injected or incorporated into the soil. Aerial spraying of  
30. liquid waste should be prohibited.

31. (b) Waste should not be applied in such a way as to cause contamination from run-off.

32. (5) Permit applicants for a large scale facility must serve notice to the public describing the type  
33. of facility to be constructed, the type of waste to be generated, the waste handling treatment to  
34. be used, a legal description of the property, and notice of a public comment period. Applicants  
35. must develop a “baseline” for monitoring future water/soil quality. In addition, all managers/  
36. operators must complete training in waste management and odor control.

37. (6) Permit holders must disclose the number of animals within a facility upon request. The Health  
38. Department should develop a policy that includes nursing animals in permitted amount of  
39. animals.

40. (7) Annual, unannounced inspections of operations including independent testing of water  
41. quality.

1. (8) “Bad Actor” legislation allowing the state to reject permits from producers who have a poor
2. environmental record (habitual environmental damage) or whose permit has been revoked in
3. another state.
4. (9) Facility closing requirements that ensure proper clean-up if they cease operating. This would
5. require total removal of manure and contaminated soils within a specified period after closure
6. and revegetation within three years of closure.
7. (10) Existing operations should be required to comply with new rules within a certain amount of
8. time with no grandfather clauses.
9. (11) In order to protect taxpayers, permits should require financial assurances including proof of
10. liability insurance to a determined amount, net worth, or adequate bonding.
11. (12) Increase the statute of limitations for the nuisance law.
12. (13) Provide penalties for violation of state and local CAFO regulations.
- 13.

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

15. A. We support the continuation of the North Dakota Voluntary Johne’s Disease Testing Program.
- 16.
17. B. We support the right of meat processor to voluntarily test animals for diseases such as BSE to meet
18. the enhanced requirements of value-added markets.
- 19.
20. C. We support the Board of Animal Health’s effort to monitor bioterrorism within the livestock
21. industry.
- 22.
23. D. We are opposed to closing or relocating the Plum Island Research Facility.
- 24.

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

26. A. We support stronger measures which would prevent market manipulation by entities through
27. inconclusive testing of agricultural products (false BSE tests). Any release of information
28. should be based solely on final, scientific, and positive testing.
- 29.
30. B. We need strict enforcement of trade laws and labeling laws to provide protection to consumers
31. and livestock producers from the importation of livestock diseases such as Bovine Spongiform
32. Encephalopathy (BSE).
- 33.
34. C. We support the ND Beef Quality Assurance Program.
- 35.
36. D. The food industry continues to develop methods that are intended to eliminate the threat of
37. food borne illness from our food supply. Irradiation is a new technology, and North Dakota
38. Farmers Union recognizes this process as a tool to protect consumers against harmful patho-
39. gens; however, our organization urges all applications continue to be evaluated as to its overall
40. impact, including any health and safety issues that may arise due to the new technology.
- 41.

1. **6. NATIONAL IDENTIFICATION SYSTEM**

2. NDFU cannot support a mandatory National Animal Identification system due to a vast array of issues  
3. not yet addressed. The administration, Congress and industry must resolve the following concerns before  
4. further promulgation or implementation of a verifiable national animal identification program:

- 5.
6. A. Has the least possible cost to producers;
- 7.
8. B. Encourages full participation and shared responsibility throughout the industry;
- 9.
10. C. Provides adequate liability protection fire walls including, but not limited to, an exemption from  
11. the Freedom of Information Act;
- 12.
13. D. Is conducive to the collection of data that will be compatible with, and complementary to, the  
14. country of origin labeling (COOL) law;
- 15.
16. E. The national animal identification program release information only for confirmed cases when an  
17. animal health problem arises necessitating an animal be traced to its source;
- 18.
19. F. Establishes an educational component within the program to educate producers on animal identi-  
20. fication;
- 21.
22. G. Provides for animal identification records being maintained only by USDA, funded only by USDA-  
23. APHIS and administered and maintained by state boards of animal health and not by private  
24. organizations.
- 25.
- 26.
- 27.
- 28.

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

30.

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

34.

35. The creation of agricultural opportunities for a new generation of beginning farmers must be a central com-  
36. ponent of rural development.

37.

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

41.

1. North Dakota Farmers Union recommends a loan program for farmers to invest and build producer-owned,
2. value-added co-ops to gain economic independence and spur rural economic development.
- 3.
4. Access to credit, technical expertise and markets are essential ingredients in securing opportunities for rural
5. and agricultural enterprises.
- 6.
7. We call for a new partnership in which our federal and state governments and rural people can together de-
8. velop the full potential of rural America's human and natural resources.
- 9.

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

11. A. The Farm Service Agency (FSA) should:

12. (1) Provide ag credit only to family-sized farm operators who cannot obtain financing elsewhere.
- 13.
14. (2) Provide supervised loan programs to beginning and other family farm operators.
- 15.
16. (3) Provide long-term real estate loans to be graduated to commercial credit at the end of ten years.
17. The interest rate and repayment schedule would be adjusted to build an adequate equity base
18. during the initial ten-year period and be based on the producer's annual net farm income and
19. production. The graduation could be postponed in case of economic hardship.
- 20.
21. (4) Provide production (operating) loans with adjusted interest rates and repayment schedules in
22. accordance with the producer's production and income.
- 23.
24. (5) Be authorized to develop innovative programs of finance and assistance for land transfer be-
25. tween generations and for establishment of new farm units, such as Land Link.
- 26.
27. (6) Work closely with state programs designed for beginning farmers and be able to supplement
28. and guarantee such state programs.
- 29.
30. (7) Make land and improvements within FSA inventory available to eligible farm families.
- 31.
32. (8) Restructure FSA loans with borrowers' rights and protections in mind. Restructuring oppor-
33. tunities provided by law should be preserved for family farmers.
- 34.
35. (9) Consider applications promptly, with responses reported to the applicant as quickly as possible.
36. Present FSA loan limits should reflect land values and provide opportunities for additional
37. family farmers.
- 38.
39. (10) Discontinue the phase-down of direct FSA loans. We call upon Congress to increase the ap-
40. propriations and allocations toward a direct loan program.
- 41.

1. B. FSA should not allow wildlife easements on land acquired by FSA.
- 2.
3. C. In cooperation with other ag lenders, FSA should streamline and standardize their forms to provide
4. more ease and uniformity in their credit evaluation process.
- 5.
6. D. We urge USDA to consider the relevancy of information that is required to be provided during
7. sign-up for farm programs. We support efforts to enforce payment limitations.
- 8.
9. E. We call on Congress to appropriate additional funds to adequately staff and maintain current FSA
10. offices.
- 11.
12. F. We oppose the consolidation of FSA county offices.
- 13.

## 14. **2. FARM CREDIT SYSTEM**

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

- 17.
18. A. We urge FCS to provide member-borrowers full access to their individual case files.
- 19.
20. B. We urge FCS to give its greatest priority to fully coordinating its credit services to assist its family
21. farm member-borrowers.
- 22.
23. C. We urge the Farm Credit Administration to increase the authority of local boards of directors so
24. that FCS' lending policies adequately reflect member control.
- 25.
26. D. We oppose any restructuring of the farm credit system which dilutes farmer ownership of their
27. cooperative credit organization or replaces farmer-elected members of system boards with
28. commercial bankers. We believe that the ability of the system to access the agency market for funds
29. must be protected to ensure that the FCS continues to serve as an alternative source of credit for
30. producers.
- 31.

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

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

- 35.
36. A. We favor continuation of North Dakota's Ag Mediation Services. We urge continued use of the Farm
37. Credit Review Board as a base for providing a coordinated and consolidated set of services to farmers.
- 38.

39. This agency should also be the primary vehicle for state funded or sponsored credit programs of  
40. operating and real estate loans to financially distressed farmers. We urge the legislature to provide  
41. both adequate funding and authority to ensure the effectiveness of this agency.

- 1. B. We believe the Bank of North Dakota should focus its resources to its primary mission as stated in
- 2. the Bank’s philosophy: “To encourage and promote agriculture, commerce and industry in North
- 3. Dakota.” Therefore, the State Industrial Commission should use its authorities and the Bank’s ca-
- 4. pabilities to maintain and develop programs that assist family farmers.
- 5.
- 6. C. We support the use of the one-stop capital center.
- 7.
- 8. D. The Bank of North Dakota and the Board of University and School Lands should continue to make
- 9. maximum funds available for farm real estate loans for family farmers.
- 10.
- 11. E. We recommend the expansion of the Bank of North Dakota’s beginning farmer programs. These
- 12. programs should provide a reduced, fixed rate of interest for at least the first ten years of the loan.
- 13.

14. **4. FARM DEBT REORGANIZATION**

- 15. A. We call for continued policies of forbearance and restructuring of loans. We urge restraints in the
- 16. quantity of farm debt write-down.
- 17.

18. **5. RURAL REVITALIZATION**

- 19. A. Grants and low interest monies should be made available for the revitalization of business areas in
- 20. our rural communities.
- 21.
- 22. B. In recognition of the interdependence between the family farm and the independent rural community
- 23. business, we urge our fellow members to patronize rural town businesses that share our common
- 24. problems and directions.
- 25.
- 26. C. We support continued funding of the “Grow North Dakota” economic development program which
- 27. allocates Bank of North Dakota resources for financing family farms, small businesses and other
- 28. rural development activities.
- 29.
- 30. D. We call upon our organization to confer with farm, cooperative, government and business organizations
- 31. to develop programs to revitalize the economy of the Great Plains region. We encourage NFU to
- 32. initiate a National Rural Summit.
- 33.
- 34. E. We urge cooperatives and other businesses to process farm products close to the production areas
- 35. as a means to support and build the economies of our rural communities.
- 36.
- 37. F. Economic Development should:
- 38. (1) be more open and receptive to rural and urban taxpayers concerns and inputs;
- 39.
- 40. (2) have clearly defined goals, objectives, processes and policies;
- 41.

1. (3) require companies receiving economic development incentives and taxpayer subsidies to pay
2. wages at least 125% of the federal poverty level;
- 3.
4. (4) have clawback provisions if companies don't live up to their promises of job creation, retention
5. and wages;
- 6.
7. (5) support legislation to mandate accountability of city and county economic development cor-
8. porations.
- 9.

10. G. We support Senator Dorgan's New Homestead Economic Opportunity Act as a rural revitalization  
11. program before all rural infrastructure is destroyed and lost forever.

12.

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

## 16.

## 17.

## 18. **SECTION V. COOPERATIVES AND THE FAMILY FARM**

## 19.

20. The promotion and encouragement of farm cooperatives should be emphasized as an effective means to in-  
21. crease farmers' bargaining power.

22.

23. We reaffirm our belief in the cooperative principles, including:

- |                                 |                                      |
|---------------------------------|--------------------------------------|
| 24. • one-member, one-vote      | • continuing education               |
| 25. • open membership           | • patronage refund                   |
| 26. • competitive prices        | • limited return on investment       |
| 27. • autonomy and independence | • cooperation among cooperatives     |
| 28. • concern for community     | • political and religious neutrality |
| 29. • continuous expansion      |                                      |

30.

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

### 32.

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

34. A. The rights of agricultural producers to act together to handle, process and market agricultural  
35. products through cooperative activity, as guaranteed under the Capper-Volstead Act of 1922, must be  
36. continued. These same rights should be formally extended under law to farm supply and consumer  
37. cooperatives.

38.

39. B. The rights of cooperative members to organize and operate regional and interregional cooperatives  
40. (marketing agencies in common) or to merge with other cooperative associations, should not be  
41. restricted by law or government regulation. However, we are not in favor of regionals absorbing

1. local cooperatives until other options of maintaining local control have been exhausted, including  
2. merger or joint venture with a nearby cooperative. When necessary for a regional to absorb a local  
3. cooperative, we strongly urge every effort would be made by the local members or a nearby cooperative  
4. to purchase the cooperative back when it is feasible. We demand that regional cooperative boards  
5. work together, and with local cooperatives, to help them continue operating for the benefit of the  
6. members.

7.  
8. C. The responsibilities of administering the Capper-Volstead Act should remain with the U.S. Department  
9. of Agriculture.

10.  
11. D. Because cooperative businesses are member-owned and controlled, we oppose any governmental  
12. regulation which would infringe upon the rights of cooperative members to determine the policies  
13. or operation of their cooperative.

14.  
15. E. Value-added cooperatives maintaining cooperative principles of member-ownership and control  
16. should be supported by North Dakota Farmers Union.

17.  
18. We are opposed to Unincorporated Cooperatives that undermine the Capper-Volstead Act.

19.  
20. **2. MEMBER INVESTMENT RIGHTS**

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

24.  
25. **3. CONDUCTING COOPERATIVE BUSINESS**

26. A. Patrons should take an interest in the business operation of their cooperatives and should attend  
27. annual meetings to receive directors' and management reports.

28.  
29. B. Members of boards of directors should be elected from among the members, persons carefully selected  
30. who have sound business judgment, Farmers Union philosophy and who will not use their position  
31. for personal advantage. Ideally, the elective process assumes more than one candidate for each  
32. position. We recommend patrons consider elected nominating or candidate search committees.

33.  
34. C. Directors should set policy and direction for the cooperative. Managers should be charged with  
35. the responsibility of managing day-to-day operations. To ensure that directors of cooperatives are  
36. responsible to their member-patrons, only member-patrons should be involved in the selection and  
37. election of directors. Delegates representing co-op members must be regular voting members of  
38. that cooperative and should be elected by the members.

39.  
40. D. Directors' fees should not be subject to Workers Compensation tax and benefits or any other salary-  
41. related tax deductions.

1. E. Either spouse should be able to represent the family farm in voting at cooperative meetings. We  
2. encourage both spouses to become voting members of cooperatives.  
3.  
4. F. We are opposed to a cooperative forming a public corporation in order to sell stock on Wall  
5. Street as a means to raise capital. This is a departure from cooperative principles. We oppose  
6. the regional cooperatives leasing or purchasing property from local cooperatives and delivering  
7. products directly to local co-op patrons.  
8.  
9. G. We urge systematic retirement of patronage stock so the capital requirements of co-ops are provided  
10. by the current member-users of the co-op.  
11.

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

13. A. Patronage Responsibility

14. Every member of Farmers Union should buy every possible supply, sell all possible products and  
15. buy all possible insurance and other services from Farmers Union member-owned or affiliated  
16. business activities and cooperatives.  
17.

18. B. Affiliated Co-op Responsibilities

19. Farmers Union-affiliated cooperatives should buy products and services locally whenever possible  
20. to further local and/or state economic development.  
21.

22. We ask CHS, Inc. to support their cooperative foundation. They should work to remain loyal to  
23. cooperative principles and remember the importance of grassroots members and their input. We  
24. also ask CHS, Inc. to add the word “cooperative” to their name.  
25.

26. We oppose CHS’ involvement in out-of-country corporate farming practices which does compete  
27. with U.S. farmers.  
28.

29. C. Common Ties

30. (1) The growth of Farmers Union cooperatives and the Farmers Union organization has occurred  
31. through common efforts which have proven to be mutually beneficial. Members should take  
32. concerted action to prevent disassociation between Farmers Union and cooperatives and to  
33. maintain the common Farmers Union identity. We further recommend that members elect del-  
34. egates and directors who would maintain the relationships between these farmer institutions.  
35.

36. (2) We invite our affiliated cooperatives to submit resolutions to the Policy and Action Drafting  
37. Committee as a method to increase communications between Farmers Union and the cooperative  
38. sector. This would promote a closer working relationship on legislative issues.  
39.

40. D. Educational Funds and Dues Check-offs

41. (1) A basic means of accomplishing closer relationships between Farmers Union and Farmers

1. Union business activities is the payment of five percent educational funds and checking off  
2. dues by cooperatives. Educational funds and dues check-offs are the lifeblood of our youth  
3. program and of the cooperative philosophy.

4.  
5. We encourage the prompt payment of dues through check-offs so that membership may never  
6. be delinquent. We urge our regional cooperatives give every assistance in extending these  
7. practices to every cooperative in the state and help facilitate the use of check-offs through data  
8. processing where it is already part of the bylaws.

9.  
10. (2) County Farmers Union organizations should encourage cooperatives and their patrons not  
11. now affiliated with Farmers Union to check off dues and pay educational funds to the Farm-  
12. ers Union as an effective means of building a farm organization for their own protection and  
13. existence.

14.  
15. (3) We urge that county organizations use their resources to sponsor local seminars on issues af-  
16. fecting their co-ops.

17.  
18. (4) We encourage county boards to have annual planning sessions with directors, managers and  
19. employees of area cooperatives concerning common problems and the use of educational  
20. funds.

21.  
22. (5) We urge the Board of Directors of NDFU to pay for one board member of the non-affiliated  
23. cooperatives to the state convention as a guest.

24.  
25. **5. COOPERATIVE FINANCING**

26. A. We support the current 50% membership criteria for CoBank borrowers.

27.  
28. B. We request legislative authority for the Bank of North Dakota to issue bonds for the purpose of  
29. loans at reduced interest rates to cooperative elevators constructing subterminal facilities.

30.  
31. C. We oppose any effort of CoBank to lend money to non-cooperative agribusiness.

32.  
33. D. We urge that federal funding programs be initiated along the lines of the original REA program, now  
34. called the Rural Utility Service (RUS), to assist farmers in forming value-added cooperatives.

35.  
36. **6. CREDIT UNIONS**

37. A. We encourage the organization and growth of credit unions. We oppose any effort to impose a tax on  
38. member-owned non-profit credit unions.

39.  
40. We support maintaining the National Credit Union Share Insurance Fund as a separate and inde-  
41. pendent agency from other federal deposit insurance systems.

1. B. We support the right of all Americans to choose how and where they deposit their earnings and  
2. transact their personal financial business.

3.

4. **7. COOPERATIVE MERGERS AND CONSOLIDATION**

5. A. Retaining local cooperatives is the last hope of survival for many communities. We urge that local  
6. cooperatives consider sharing services. North Dakota Farmers Union, including local and county  
7. units, should assist in information and research.

8.

9. B. All joint ventures between a cooperative and a multinational corporation should still return to the  
10. original cooperative principles and significantly benefit members of the cooperative. We oppose  
11. all mergers between a cooperative and a multinational corporation.

12.

13. C. The State and National Farmers Union organizations should use whatever influence they have to  
14. seek enforcement of the laws currently in place that limit monopolies and restrict mergers.

15.

16.

17.

18. **SECTION VI. LAND RESOURCES FOR THE FAMILY FARM**

19.

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

22.

23. **1. LAND OWNERSHIP**

24. A. Farmland must be controlled by family farmers. Laws should discourage concentration of farm-  
25. land ownership by corporations and off-farm interests. We call for strict enforcement of our state's  
26. corporation farming laws. These laws must be closely monitored and strengthened so they may  
27. continue to preserve production agriculture for family farmers.

28.

29. B. We believe the anti-corporation farming law as initiated in 1931, which was expanded in 1981 to  
30. allow incorporation of farms by close relatives, should not be further weakened to give additional  
31. advantages to non-family farm units or to allow the control of agricultural production to move to  
32. off-farm interests.

33.

34. Lands acquired by corporations through mortgages must be divested within a maximum of three  
35. years, with an extension of another two years, if leased back to the previous owner.

36.

37. Non-profit corporations should be allowed to receive land through gifts, estates, etc., but be required  
38. to divest themselves of such land within five years. We urge that legislation for ensuring that land  
39. mandated for divestiture be sold to family farmers.

40.

41.

1. We oppose the purchase of North Dakota farmland by environmental groups, investment groups  
2. and other outside investors. In the event of such purchase, the taxable valuation for property tax  
3. purposes shall be no less than the purchase price.  
4.

5. C. We support provisions of the state's corporation farming law which prevents corporations and non-  
6. farming cooperatives from vertically integrating into the production of agricultural commodities.  
7.

8. We support state and federal legislation to define and protect farmers' rights in contracting for ag-  
9. ricultural production with commodity buyers, processors and other corporations.  
10.

11. Any partnership, limited partnership, limited liability partnership, limited liability limited partnership,  
12. corporations or cooperatives engaging in the business of agriculture production must be required to  
13. disclose all partners, limited partners or stockholders to the Secretary of State of North Dakota.  
14.

15. D. We support the existing law restricting non-resident aliens from owning land in North Dakota and  
16. call for similar legislation on the federal level. We call for legislation that will require better report-  
17. ing of such purchases and stronger enforcement by the Attorney General.  
18.

19. E. Governmental entities which have acquired private lands must be required to pay in-lieu-of-property  
20. taxes amounting to 100% of the taxes which would normally be assessed on such property.  
21.

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

23. We support a comprehensive policy that protects landowners from speculation and unfair contracts in  
24. the development of natural resources such as wind development and carbon sequestration.  
25.

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

27. (1) Non-disclosure clauses serve only to protect the interests of the contractor/developer. Landowners  
28. should be allowed to review leases with attorneys, lenders and other holders of leases to  
29. ascertain the relative value of a lease offer.  
30.

31. B. Establish a Registry of Current Standard Wind Leases and Make Accessible to the Public

32. (1) A registry allows landowners to compare offered leases with standard leases and better ascer-  
33. tain the relative value of a lease offer. Allows landowners to compare other lease terms with  
34. standard leases.  
35.

36. C. Prohibit Mandatory Arbitration Clauses

37. (1) Mandatory arbitration requirements are becoming more common in contracts. Prohibiting such  
38. clauses in contracts will ensure the right of civil litigation for landowners in lease disputes and  
39. helps balance the legal interests of landowners and developers.  
40.  
41.

1. D. Limiting Length of Lease Options
2. (1) Limiting the term of lease options will prevent companies from tying up large tracts of land
3. for extended periods, thus encouraging use of lease options for actual development instead of
4. speculation.
- 5.
6. E. Authorize Collective Bargaining of Leases
7. (1) Allows landowners to bargain collectively for standard lease terms throughout a region or
8. development project. Such a provision would encourage fairness in the application of lease
9. terms among multiple landowners.
- 10.
11. F. Bonding and Reclamation Protections
12. (1) Encourages responsible energy development and transmission at outset of lease by providing
13. funds up front for reclamation of land after turbine, tower or project life has expired.
- 14.
15. G. Prohibit Prior Investment as Condition of Lease or Option of Fulfillment
16. (1) Discourages use of option development to coerce investment by landowners.
- 17.
18. H. Farmland Protection
19. (1) Prohibits farmland ownership by energy development or generation companies. Compliance with
20. North Dakota's corporate farming law would ensure that agricultural land remain in the hands
21. of producers and retains the agricultural value of the land used in energy development.
- 22.
23. I. Prohibit Right of First Refusal by Developers
24. (1) Developers should not be able to obtain the right of first refusal in lease options/contracts. Right
25. of first refusal allows a developer to tie up land, and/or reduce marketability of landowner's
26. land without purchasing an option. For example, a developer may purchase options on four
27. out of eight sites on a farmer's property and then takes right of first refusal on the remaining
28. four. Basically, the developer has a de facto option on the remaining four without having to
29. purchase the lease option. The marketability to other developers is reduced because the first
30. developer has the first chance to develop the property.
- 31.
32. J. Disclosure of Actual Lease Payments in Contracts
33. (1) Requires that actual lease payments, potential premiums and formula used to determine said
34. premiums be established and disclosed as a condition of a final lease agreement during nego-
35. tiation of a contract.
- 36.
37. K. Three-Day Cooling Off Period
38. (1) Allows three-day cooling off period after lease agreement is signed. This allows landowner
39. a window to reconsider if, for example, his attorney has an objection to the contract
40. language.
- 41.

1. L. Prohibition of Severability of Surface Rights and Wind/Carbon Rights.

2. (1) Land ownership should not be severed from natural resources associated with the surface.

3.  
4. We recommend there be a provision for a Pugh clause in wind and carbon sequestration contracts.

5.  
6. **3. LAND USE**

7. A. We support a comprehensive statewide land use policy with township and county zoning programs  
8. to protect agriculture's economic interest and to assure a maximum amount of fertile land for future  
9. production of food and fiber. We endorse a land use policy that secures private ownership and proper  
10. use of land with minimum government interference. We emphasize that the township and county  
11. zoning programs should be the only governing programs regulating zoning.

12.  
13. B. We urge legislation that establishes and maintains a central location for a database of zoning ordi-  
14. nances that are created by political subdivisions (i.e. counties, cities and townships).

15.  
16. C. As farmers and ranchers, we reserve the right to determine the use and future use of our land. We  
17. need to explore options that will combine the best management of our land with the best economic  
18. decisions for our farms. North Dakota Farmers Union recognizes that easements are one tool farmers  
19. may employ to meet both objectives, however, we are opposed to perpetual easements.

20.  
21. D. Lands acquired for wildlife should be subject to the same obligations to provide routing for utilities,  
22. highways, waterway maintenance and other public uses as are privately-owned lands.

23.  
24. E. We recommend a percentage of all hunting license fees be paid to counties and townships for main-  
25. tenance of roads and the eradication of noxious weeds.

26.  
27. F. We recommend detailed soil surveys and groundwater surveys for our entire state and urge the  
28. Legislature to fund these projects.

29.  
30. G. We support the North Dakota Landowners-Sportsmen Council and hunter safety programs in their  
31. efforts to encourage good hunting practices and respect for property rights and urge increased fund-  
32. ing for the Hunter Safety Program.

33.  
34. H. The landowner or operator should not be held liable for accidents occurring as a result of hunting,  
35. visitation or trespassing on his property.

36.  
37. I. We believe that all land should be considered "*POSTED*." NDFU supports the property rights of  
38. landowners.

39.  
40. J. Eminent domain should be reserved for public projects. Where eminent domain proceedings may  
41. eventually be used, individual notification and public hearings must be held before the project is

1. allowed to be implemented. Severance damages should include payment for the diminution of  
2. remaining land values and increased expenses and inconvenience suffered by affected landowners  
3. and operators. All initial court expenses, including attorneys' and appraisers' fees, must be borne  
4. by the constructing agency in condemnation proceedings. Consideration should be given to routes  
5. which minimize adverse human impact.

6.  
7. K. We support the preservation of section line identity by state and local governments.  
8.

9. L. We support archaeological preservation; however, we oppose any act or regulation that creates  
10. undo burdens upon local governments and local producers. Therefore, if archaeological surveys  
11. and mitigation of sites on private property is a requirement of the federal government, those costs  
12. should be paid for by the federal government.  
13.

14. M. We oppose the Forest Service range and environmental impact statement on the national grasslands,  
15. since it creates economic hardship for communities, counties and livestock producers. Since live-  
16. stock producers have a good track record in conservation, we urge that future draft proposals be  
17. accomplished with proper range research and that livestock grazing be given equal consideration  
18. with other multiple uses on the national grasslands.  
19.

#### 20. **4. LAND TRANSFER**

21. A. We recommend a state program to facilitate transfer of family farms from one generation to the  
22. next. We encourage all members to explore estate planning and transfer of property.  
23.

24. We recommend that coal companies sell back land in the same size or smaller parcels than the land  
25. originally purchased from the landowner.  
26.

27. B. We favor the enactment of federal tax incentives for landowners to sell or lease land to beginning  
28. or smaller-than-average-sized farmers.  
29.

30. C. We oppose landowners retaining "hunting rights" after selling their land.  
31.

#### 32. **5. MINERAL RIGHTS**

33. A. Our goal is the restoration of severed mineral rights to the surface owner.  
34.

35. B. We favor legislation prohibiting credit institutions from separating mineral rights from land that  
36. they acquire through foreclosure or other means.  
37.

38. C. Owners of severed mineral interests and the lease companies should be required to pay for or  
39. reimburse the surface owner for the additional costs and expense paid by the surface owners in-  
40. certification of their abstracts of title.  
41.

1. D. We urge legislation to divide the present real estate tax so that a percentage would be paid by the  
2. surface owner and a percentage be paid by the mineral owner. If the mineral owner should become  
3. delinquent in payment of this tax, the severed mineral acres shall be returned to the surface owner  
4. upon payment of the delinquent tax.  
5.  
6. E. We recommend that all mineral leases require a royalty payment to the surface owner, as well as  
7. to the mineral owner.  
8.  
9. F. We support a damage compensation law that includes operators and owners of the land in any drill-  
10. ing plans, pipeline, or other land disturbance that have provisions regarding water, property and  
11. other interests.  
12.  
13.

## 14. **SECTION VII. NATURAL RESOURCES AND THE FAMILY FARM**

15.  
16. Public and privately-owned land, mineral and other resources should be conserved and administered in the  
17. interest of all people.  
18.

### 19. **1. SOIL AND WATER STEWARDSHIP**

20. Land and water stewardship is part of the social contract between food producers and the rest of the  
21. society. Producers have a responsibility to maintain and improve the productivity of the land. In return  
22. they should be rewarded for their stewardship by farm programs which provide a prosperous livelihood  
23. for the farm family.  
24.

25. Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) should work to  
26. achieve the mutually beneficial objectives of proper stewardship and the maintenance of family farm  
27. agriculture.  
28.

#### 29. **A. Conservation Planning**

30. A conservation plan should be jointly developed by the farm operator and the Natural Resources  
31. Conservation Service (NRCS) for each farm unit. This plan should designate which highly-erodible  
32. soils should not be tilled and which can be tilled with approved conservation practices. The plan  
33. should clearly map and document both existing and drained wetlands, as well as any drains and  
34. channels. The plan should consider all soil conditions in the conservation of the wetlands, as well  
35. as the maintenance of existing drains and channels.  
36.

37. Such a conservation planning system should replace the existing sodbuster and swampbuster  
38. provisions and should be supervised and approved by the Farm Service Agency (FSA) committee  
39. process, with the technical assistance of the NRCS.  
40.

41. 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

1. farm program benefits should be imposed only in cases of purposeful destruction of conservation  
2. practices.

3.

## 4. **2. CONSERVATION RESERVE PROGRAM**

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

8.

9. A. The most environmentally-sensitive land be given first opportunity for extension.

10.

11. B. There are incentives to aid beginning farm and ranch families in obtaining land leaving the CRP  
12. program.

13.

14. C. The new CRP payments be based on local rental rates.

15.

16. D. There should be stricter criteria for land to be eligible for CRP. There need to be limits on how much  
17. land can be enrolled in CRP in a particular area to limit the impact CRP has on rural communities.  
18. CRP should not be a retirement program for farmers. Whole farms should not be able to be enrolled.  
19. There should not be more than 35% of the tillable acres in a farm unit enrolled in CRP.

20.

21. E. CRP acreages need to be closely monitored by NRCS with enough funding to enforce contract  
22. requirements for adequate weed, insect and fire control.

23.

24. F. In times of a disaster declaration, all interested livestock producers must apply to FSA for the  
25. opportunity to hay or graze CRP lands. Applications must include a three-year history of livestock  
26. animal units. Haying or grazing shall include all program contracts and should be conducted in such  
27. a manner as to enhance feed quality and minimize negative impact on wildlife. Areas outside the  
28. severely affected areas should be allowed to donate only to the severely affected counties without  
29. reduction in payments.

30.

31. G. We support managed haying or grazing once every three years on CRP contracts.

32.

33. H. Conservation reserve program funding should not be taken from farm support payments/deficiency  
34. payments.

35.

36. I. In the case of an existing grass stand, CRP acres that are to be re-enrolled should not have to be  
37. reseeded or interseeded with other grass types.

38. J. Land managed with appropriate organic standards while enrolled in CRP be eligible for organic  
39. certification upon leaving the program.

40.

41.

1. **3. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM**

2. The federal program provides cost share for conservation practices that improve groundwater quality,  
3. plant diversity, wildlife habitat, animal waste systems and conversion of existing irrigation systems.  
4. These are all statewide resource concerns that have been prioritized by the State Technical Committee.  
5. The Committee has determined that animal feeding operations are a priority for EQIP funding. We sup-  
6. port this program and urge that funds be targeted to small and medium sized farms and ranches, with a  
7. limit of \$150,000.

8.

9. **4. SOIL AND WATER MANAGEMENT**

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

12.

13. B. We favor continuation and increased federal and state funding of agricultural conservation programs  
14. (ACP) and the Natural Resources Conservation Service (NRCS) be kept as a stand alone agency.  
15. To encourage more tree plantings, we encourage FSA to include the cost of tree maintenance for  
16. the first ten years after planting as part of its cost-sharing program.

17.

18. C. We support the small watershed program for proper water management.

19.

20. D. Administration of swampbuster provisions should be regulated by one government agency to ensure  
21. that agricultural concerns are fully considered. We strongly support flexibility to allow channel  
22. maintenance and clean-out, maintain proper water management and provide an economic incen-  
23. tive to the landowner for retaining wetlands. The exemption of Type 1 wetlands from swampbuster  
24. provisions is a must.

25.

26. E. We urge that multiple use of federal range lands be closely monitored to ensure that agricultural  
27. usage is maintained at present levels in relation to recreational and other resource usage.

28.

29. F. We oppose the wilderness designation of land in North Dakota.

30.

31. G. We urge the North Dakota Legislature to establish a program in ND to address the soil salinity  
32. problem. A salinity specialist should coordinate educational and research efforts among NDSU,  
33. Extension, Soil Conservation Districts, NRCS, farm and commodity organizations and others.

34.

35. **5. WETLANDS POLICY**

36. A. Wetlands of less than one acre should not be under any jurisdiction by state or federal agencies.

37.

38. B. When dealing with farmland, primary consideration should be given to the economic impact on  
39. agriculture.

40.

41.

- 1. C. Landowners should be able to move water within the boundaries of their property without regula-
- 2. tion, interference or easements.
- 3.
- 4. D. We support no net gain of wetland acres.
- 5.
- 6. E. Any policy developed should recognize the function of wetlands as an agricultural property.
- 7.
- 8. F. Water outside the boundary of a wetland should be considered sheetwater and not subject, under
- 9. any circumstances, to jurisdiction by state or federal agencies.
- 10.

11. **6. RURAL WATER FUNDING**

12. We encourage adequate state and federal funding to support affordable rural water systems, including

13. grants to cities.

14.

15. We encourage the education of all North Dakotans on the need for a clean, safe and plentiful supply of

16. water. North Dakota Farmers Union encourages rural citizens to sign up for rural water.

17.

18. **7. STATE WATER POLICY**

19. Since our state's water belongs to all the people of North Dakota, the North Dakota Water Commission

20. should manage our water resources to the greatest advantage to our citizens, with all areas of the state

21. being given equitable consideration.

22.

23. A. We call for adoption of a comprehensive state water policy which will allow North Dakota to claim

24. its rightful share of water resources.

25.

26. We believe the majority of funding for water projects should come from the federal government

27. due to the long-standing commitment that was made to the people of North Dakota for diversion

28. of Missouri River water.

29.

30. We believe supplemental state funding of water development projects to be in the best interest of

31. North Dakota. These programs should be funded through the state's personal and corporate income

32. taxes.

33.

34. B. The Devils Lake Basin continues to have problems with excess water and flooding. We support the

35. outlet for stabilization and emergency relief, as long as the quantity and quality of water being sent

36. downstream is controlled.

37.

38. We urge the North Dakota Legislature to mandate the clean-out of the natural Stump Lake outlet

39. and proper and controlled management of downstream water flow.

40.

41.

1. C. 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.
- 2.
- 3.
- 4.
- 5.
6. D. Garrison Diversion should be primarily a federal responsibility and we urge its continued
7. funding.
- 8.
9. E. We urge that half of the funds allocated to the Natural Resources Trust fund should be designated
10. as a soil conservation trust fund to assist agricultural producers.
- 11.
12. F. We urge that in water and wetland disputes, a third party be used, such as the North Dakota Ag
13. Mediation Service.
- 14.

## 15. **8. FEDERAL WATER DEVELOPMENT**

16. A. We urge adoption of the following order of preference in the use of Missouri River water: (1) domestic
17. and municipal consumption, (2) agriculture, (3) hydroelectric power, (4) industrial consumption,
18. (5) wildlife and recreation and (6) navigation.
- 19.
20. B. We oppose the use of prime farmlands for flood control projects wherever possible. We favor flood-
21. ways which require less land acquisition for project works and wildlife mitigation than large dam
22. projects. We favor zoning laws prohibiting construction in flood-prone areas.
- 23.
24. C. We urge Congress to reconsider the 1902 Reclamation Law issue and re-establish family farm acre-
25. age limits and residency requirements. We further urge reclamation projects to maintain the family
26. farm limitations of the original law.
- 27.
28. D. When flood control measures such as dikes, river diversions and dry dams that affect prime ag
29. land are proposed, the entities promoting the project must have a detailed independent study of the
30. watershed and how the proposed project will affect prime ag land. Then the entities promoting the
31. project must use these studies to locate the project to minimize the affect on prime ag land over
32. other factors.
- 33.
34. E. We oppose broadening the definition of what waters are covered under the Clean Water Authority
35. Restoration Act.
- 36.

## 37. **9. FISH AND WILDLIFE**

38. An upper limit must be established on the total acreage controlled in North Dakota by private, state and
39. federal fish and wildlife agencies. Land acquisitions, easements, mitigation acreages and wildlife projects
40. must be reviewed in the context of a statewide wildlife resources conservation and development plan
41. which is coordinated among the various state and federal agencies. The plan must take into account the

1. agricultural and environmental characteristics of the different regions of the state. An appeal system
2. based on fairness and equity shall be established.
- 3.
4. The State Industrial Commission, with the advice and consent of county commissioners and other appro-
5. priate public officials from the affected areas, should have final review of land acquisitions, easements,
6. etc., in relationship to the statewide wildlife plan.
- 7.
8. A. We support legislation that would require the U.S. Fish and Wildlife Service (USFWS), ND Game
9. and Fish Department (NDGF) and all other public agencies to disclose the actual number of acres
10. within their control, including, but not limited to, owned land, easements, water acres, land acres,
11. refuges and all other tracts.
- 12.
13. B. We support legislation which would require USFWS and NDGF to disclose all donors and all funding
14. they receive as cost-sharing, matching funds, or in-kind contributions from all private or public entities.
- 15.
16. C. All wildlife easement contracts taken by the U.S. Fish and Wildlife Service in North Dakota should
17. specify the exact wetlands included under the contract and be renegotiated every 15 years or less
18. or upon change of ownership. We oppose the granting of perpetual wetland easements to the Fish
19. and Wildlife Service.
- 20.
21. D. We oppose the Fish and Wildlife Service imposing easements on any property acquired by FSA or
22. any government agency.
- 23.
24. E. We support the comprehensive delineation of pre-1976 easements in order to specifically and defini-
25. tively determine what land is currently under easement with the U.S. Fish and Wildlife Service.
- 26.
27. F. We urge funding of the federal and state waterbank programs to eliminate the need for federal
28. acquisition of wetlands.
- 29.
30. G. We urge no net gain of wetland acres in mitigation banking.
- 31.
32. H. No governmental agency should exercise the power of eminent domain in obtaining any acreage
33. for mitigation and wildlife. Such acreage should only be obtained on a willing seller basis.
- 34.
35. I. We support a compensation program for crop and livestock damages by wildlife, including the
36. issuance of extra hunting licenses year around to landowners in areas of severe wildlife depredation.
37. These licenses could be used for personal use or resale by the landowner. We further support a bounty
38. program to control predators within the state.
- 39.
40. J. We urge reduced license fees and increased issuance of licenses in state and to issue more out of
- 41.

1. state licenses for controlling the deer population in those areas in which they are becoming serious  
2. problems.  
3.  
4. K. Any land or restrictive easements held by any government entity should be subject to paying in-  
5. lieu-of-property taxes amounting to 100 percent of taxes due on that property.  
6.  
7. L. We are opposed to the introduction of non-native fish species into our state's natural waters unless  
8. such species are approved by the American Fisheries Society and the North Dakota Legislature.  
9.  
10. M. We recommend that the Fish and Wildlife Service be allowed to burn only if no one can use the grass  
11. for haying or grazing. We commend the Fish and Wildlife Service for allowing haying and grazing.  
12.  
13. N. We encourage legislation to limit/restrict the powers of U.S. Fish and Wildlife and the North Da-  
14. kota State Game and Fish Department and to reorganize these departments to be more friendly and  
15. cooperative with farmers and ranchers.  
16.  
17. We encourage the Game and Fish Department to communicate with landowners and landowner  
18. groups to work toward building a better relationship between the hunter and landowner.  
19.  
20. O. We oppose the boundary fencing policy of the Corps of Engineers and the North Dakota Game and  
21. Fish Department in the fencing of Lake Sakakawea.  
22.  
23. P. We oppose the use of social security numbers on hunting and fishing applications and licenses.  
24.  
25. Q. The number of mountain lions are increasing and are a threat to North Dakotans and their livestock.  
26. We would like the ND Game and Fish Department to increase the harvest numbers substantially.  
27.

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

29. A. We believe continuing research and reviews of reclamation methods must be ongoing in order to  
30. improve the productivity of reclaimed mined land. Modern conservation techniques, which improve  
31. the productivity of specific problem areas, should be part of an improved reclamation plan.  
32.  
33. B. We urge the Legislature to direct the PSC to set a time line for completion of reclamation and final  
34. bond release once mining has ceased.  
35.  
36. C. The State Industrial Commission should supervise the site restoration required of oil development  
37. and exploration firms.  
38.  
39. D. NDFU supports efforts to protect existing water sources from damages related to seismographing  
40. activities. We support efforts to restore the 1,320 foot setback requirements from all wells, springs  
41. and farmsteads.

1. E. We support increasing the notice requirement for seismograph blasting to at least 30 days to allow
2. for wells to be tested prior to seismograph blasting.
- 3.
4. F. NDFU is concerned about the potential environmental damage caused by coal bed methane production
5. and development, and urges environmental impacts be studied prior to permits being issued.
- 6.
7. G. We support a study resolution for an interim legislative committee to research and provide
8. recommendations addressing the problems with the current regulations that oversee saltwater
9. disposal systems.
- 10.

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

12. The agricultural, economic, social and environmental impacts associated with energy development must

13. be considered an energy production cost. State or local government should not be asked to subsidize

14. energy consumers by accepting such cost.

15.

16. A. The coal severance tax must be maintained over the coal conversion tax so the economic benefits

17. may be realized within the state. North Dakota should establish a severance tax based on a percent-

18. age of the average cost of coal as determined by a state assessor at the mine mouth.

19.

20. B. We are opposed to exemptions to the oil extraction tax.

21.

22. **12. ENVIRONMENTAL ENHANCEMENT**

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

24. increases.

25.

26. A. We need more information and education concerning the present condition of our water supply and

27. what we can and should do to prevent any further contamination.

28.

29. We urge that any standards applied to farm fertilizer and chemical run-off should also be applied

30. to all users of chemicals and fertilizers.

31.

32. B. We urge all public facilities to recycle whenever possible.

33.

34. C. We urge legislation that would encourage recycling, including scrap metal, in North Dakota. We

35. also urge greater use of biodegradable products.

36.

37. D. We favor legislation to prohibit the sale of beverages in non-returnable and non-recyclable contain-

38. ers and the institution of a deposit fee to provide a strong incentive for their return.

39.

40. E. We encourage development of conveniently-sized, reusable bulk chemical containers.

41.

1. F. We believe that farmers should be involved in finding solutions to the disposal of crop protection
2. containers. We support the disposal of old and unlabeled crop pesticides under Project Safe Send.
3. We also urge that manufacturers be held partly responsible for the problems arising with container
4. disposal.
- 5.
6. G. We urge the North Dakota Legislature to fully fund Project Safe Send and that it be available on
7. an annual basis.
- 8.
9. H. We are opposed to the importation of out-of-state waste, hazardous or otherwise.
- 10.
11. I. We are opposed to the transportation of food products in containers that have carried incompatible substances
12. such as toxic chemicals or waste.
13. J. We strongly urge our country to refrain from signing environmental treaties, such as the Kyoto
14. Protocol (global warming treaty), with other countries without extensive research and open debate
15. within the United States.
16. K. We are concerned about the growing number and application of regulations concerning storage
17. and use of farm fuels and chemicals. We urge review of these regulations, development of a clear
18. and concise guide to aid compliance with sensible regulations and removal from the law of those
19. regulations which are not enforced.
- 20.
21. L. The endangered species issue requires a balanced and fair resolution which protects the environment,
22. while at the same time considering the economic impact on agriculture and other institutions.
- 23.
24. We recommend that any economic impact which significantly increases the cost of agricultural
25. production be mitigated by the federal government and those costs be paid by the taxpayers.
- 26.
27. M. We urge the Environmental Protection Agency (EPA) to place more emphasis on preliminary planning
28. assessment with the states and tribes before expanding the Visibility Protection Program through the
29. addition of the regional haze concept, and to repropose a rule addressing a more reasonable and realistic
30. approach to the issues of regional haze.
- 31.
32. N. We encourage EPA to adopt the North Dakota Health Department's finding, utilizing actual air
33. quality monitoring data and improved computer modeling, that the State of North Dakota is in
34. compliance with all EPA air quality requirements for Class 1 areas.
- 35.
- 36.

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

38.

39. Energy is vital to securing our nation's need for food and fiber. This nation must establish a long-range national

40. energy policy that emphasizes conservation and wise use of our energy resources. We must renew national

41. efforts to reduce our reliance on imported energy and move toward greater energy self-sufficiency.

1. 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.
- 5.
6. 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.
- 9.
10. 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.
- 13.

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

### 15. A. Strategic Petroleum Reserve

16. 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.

### 24. B. Renewable Energy Reserve

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

28. We encourage passage of national energy legislation that does not exempt manufacturers from liability related to MTBE.

## 31. **2. ENERGY DEVELOPMENT**

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

33. (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.

36. (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.

38. (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.

41.

1. (4) We support development of a state-funded refinery in North Dakota, similar to the State Mill  
2. and Elevator.  
3.

4. B. Research and Development of Alternative Energy Sources

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

10. (1) Wind Energy Development

11. We recognize North Dakota's vast wind resources and urge development of the state's enormous  
12. potential for electricity generation from wind.  
13.

14. Number one in wind resources, North Dakota has the ability to supply 46% of the nation's  
15. electricity needs from our wind; therefore, wind energy holds new income potential for farm-  
16. ers and rural landowners.  
17.

18. Because of the income potential for agricultural producers, we encourage efforts to educate  
19. North Dakota farmers about their wind rights and issues.  
20.

21. When wind energy leases have had no action taken on them after three years, the contracts  
22. should be considered ended. We need to have state laws concerning zoning regulations describ-  
23. ing borders, setbacks and so forth.  
24.

25. We call for the state of North Dakota to require all state agencies and institutions to purchase  
26. at least ten percent of its total energy from wind energy generated in this state.  
27.

28. (2) Coal By-Product Development

29. We support the continued operation of the Dakota Gasification Plant for its contribution to the  
30. future energy independence of our nation and because of the additional research information  
31. it will provide.  
32.

33. (3) Ethanol Development

34. (a) We support the use of ethanol and encourage education as to the benefits of its use.

35. (b) We support continued state and federal assistance for alcohol-blended fuels, provided  
36. such alcohol is produced and sold in the state of North Dakota from products grown in  
37. the United States. Such assistance should be funded from general revenues so that all  
38. North Dakotans contribute to the growth of this industry.

39. (c) North Dakota Farmers Union believes that the state has an opportunity to press forward  
40. and become one of the leading states who use ethanol. Therefore, we support the require-  
41.

1. ment of all gasoline sold in North Dakota (except aviation fuels) to be blended with at
2. least 15 percent ethanol.
3. (d) We are opposed to the market concentration within the ethanol industry and encourage
4. the development of cooperative facilities.
5. (e) We support allowing Ethyl Tertiary Butyl Ether (ETBE) refiners the ability to claim the
6. ethanol excise tax exemption at the blend point.
7. (f) We support domestic production of ethanol in the most efficient manner with use of U.S.
8. grown crops.
9. (g) We call for ethanol-blended gas to be used in all state-owned vehicles.
10. (h) An expanded Renewable Fuel Standard (RFS) for requiring increased usage of ethanol
11. fuels within the U.S.; including a separate standard for cellulosic ethanol and biodiesel.
12. (i) We support the use of blender pumps.

#### 14. (4) Biodiesel

15. We support the use of biodiesel and biodiesel-blended fuels to increase national security, in-

16. crease farm income and improve the environment.

17.

18. We encourage North Dakota to take the lead in the use of biodiesel. We support the require-

19. ment of at least a two percent blend in all diesel sold at pumps in North Dakota.

20.

21. We support biodiesel research and development of oilseed crops and animal by-products for

22. use as biodiesel alternative fuels.

23.

24. We encourage NDFU to take a lead in the development of the biodiesel industry in North

25. Dakota through leadership and potential investment.

26.

27. We support the North Dakota Petroleum Marketers Association's attempt to enact Fair Competition

28. of Motor Fuels legislation which would prohibit the use of gasoline to be defined as a below-cost

29. seller.

30.

31. We strongly urge CHS, Inc. to promote the use of bio-fuels and provide consistent and competitively

32. priced supplies to our local co-ops.

### 34. **3. ENERGY COSTS**

35. We continue to strongly oppose any violation of the long-standing covenants between the government

36. and its citizens which clearly provide that energy be sold at the lowest possible rates to consumers con-

37. sistent with sound business principles.

38.

39. North Dakota's citizens have suffered shortages of energy in a state with ample supplies, we recommend

40. that the state of North Dakota become involved in securing sufficient supplies by owning or leasing

41. conventional or alternative energy production and transmission facilities.

1. **4. PROTECT AND IMPROVE RURAL ELECTRIC COOPERATIVES**
2.     A. We believe there is a continuing need for low interest loan programs for distribution, generation
3.         and transmission cooperatives to assure energy at a reasonable cost to rural consumers.
- 4.
5.     B. We oppose any attempts to dismantle the Rural Utility Services (RUS) program or to privatize the
6.         RUS Revolving Fund.
7. .
8.     C. We support the Federal Financing Bank and emphasize that rural electric and telephone coopera-
9.         tives must continue to have and are entitled to have full and complete access to this institution.
- 10.
11.    D. We oppose the sale of federally-owned dams and power generation and transmission facilities.
- 12.
13.    E. We oppose the buyout and sellout of Rural Electric Cooperatives (RECs) to private power compa-
14.         nies and urge the state legislature to enact laws to protect RECs.
- 15.
16.    F. We support the Territorial Integrity Act of 1965, which minimizes conflicts among suppliers of
17.         electricity, allows orderly development of the state's electric utility infrastructure by minimizing
18.         disputes over extensions of distribution lines and avoids wasteful duplication of costly capital
19.         investment in utility facilities. In resolving disputes that do arise, the Public Service Commission
20.         should consider customer choice, service reliability and avoidance of unnecessary duplication of
21.         services or investment. Regardless of whether or how the electric industry may be deregulated or
22.         restructured in the future, the Territorial Integrity Act serves the best interests of both rural and
23.         urban consumers. Accordingly, we strongly oppose any legislative or regulatory action to abolish
24.         or weaken the Territorial Integrity Act.
- 25.
26.    G. Electric cooperatives have a long and successful history of self-regulation by their member-owners. We
27.         oppose efforts to bring electric co-ops under the regulation of the Public Service Commission.
- 28.
29.    H. We urge that any mergers by RECs realize the impact on rural communities and service to their
30.         consumers.
- 31.
32.    I. We are opposed to attempts to deregulate the electric industry. We specifically oppose retail
33.         wheeling.
- 34.
35.    J. We request that the North Dakota Legislature implement an electric utility tax on electricity paid by
36.         all electric utilities who generate, transmit and distribute electricity in North Dakota. The electric
37.         industry functions must be separately taxed on a competitively neutral basis at the generation,
38.         transmission and distribution levels. All electricity generated, transmitted and distributed in North
39.         Dakota must be taxed at levels that are revenue-neutral to the counties.
- 40.
- 41.

1. **5. ENERGY DISTRIBUTION SYSTEMS**

2. A. Electrical Generation and Transmission of Power

3. (1) We believe that the state of North Dakota should study the feasibility of developing, owning  
4. and managing a high voltage electric transmission line system to distribute our growing  
5. renewable electric energy resource production throughout our country.  
6.

7. (2) All high voltage transmission lines should be tied together in a national grid, be given the  
8. legal status of common carriers and be located on land unsuitable for potential cropland or in  
9. close proximity to section and quarter lines unless another route can be obtained without use  
10. of eminent domain. Prime farmland should have a higher priority as an avoidance area than  
11. wildlife acreages.  
12.

13. (3) When new transmission lines are placed, a yearly rental payment to the landowner should be  
14. established. This would replace the one-time payment that is currently given to North Dakota  
15. landowners.  
16.

17. (4) Where transmission line siting is subject to PSC approval, we ask that the ordinarily accepted  
18. condemnation statutory procedures granted to others using eminent domain be extended to  
19. REC transmission lines.  
20.

21. (5) We urge consumer-owned utilities to coordinate regional and interregional electric planning.  
22.

23. **6. CONSERVATION OF ENERGY**

24. A. We encourage all people to participate in energy conserving practices.  
25.

26. B. We support an increase in the current Corporate Average Fuel Economy (CAFE) Standards provided  
27. technology develops better economy not at the expense of vehicle power and performance.  
28.  
29.  
30.

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

32.  
33. The government of the United States and the state of North Dakota must have economic policies that provide  
34. public services efficiently and economically. Public services should be provided to all people equitably, and  
35. the cost of service should be paid by taxes collected in accordance with the principle of the ability to pay. Less  
36. of the total tax burden should come from property taxes and more from income and corporate taxes.  
37.

38. **1. FEDERAL FISCAL POLICY**

39. A. We support a pay-as-you-go federal budget. This budget system would require that before new  
40. programs are established, a revenue source must also be enacted.  
41.

1. B. In order to provide full accountability of tax revenues and government expenditures, the federal  
2. budget system must be based on normal business bookkeeping practices. Loans made by federal  
3. government agencies should be listed as repayable investments, not current expenditures. Annual  
4. operating costs should be separated from capital investments, such as public buildings, highways,  
5. multiple purpose water projects, conservation projects, equipment, etc. Amortization and/or  
6. depreciation schedules should be established for such capital investments and assets. Both the  
7. operational and capital budgets of a government department or agency should list the actual net  
8. cost of its programs to the taxpayer for that year.  
9.

10. **2. MONETARY POLICIES**

11. A. NDFU urges the United States Congress to pass a bill for reduction of our national deficit, which  
12. has grown to severe extremes. We do this with grave concern that it is a threat to the future welfare  
13. of this country, and feel that it is irresponsible to pass this deficit on to future generations.  
14.

15. B. We urge the combination of the following policies to achieve a balanced budget and reduced interest  
16. rates:

17. (1) Selective credit controls as needed in order to maintain the ability of farmers and small busi-  
18. nesses to make the necessary investments for production.  
19.

20. (2) Strict enforcement of antitrust and monopoly laws, together with close scrutiny of corporate  
21. mergers and acquisitions.  
22.

23. (3) Reinstatement and enforcement of a reasonable corporate income tax.  
24.

25. (4) Investment in new enterprises, rather than for acquisitions or mergers.  
26.

27. (5) Improved federal purchasing procedures, including competitive bidding to reduce costs and  
28. to prevent abuses.  
29.

30. (6) Establishment of usury laws with limits at affordable rates.  
31.

32. C. The Federal Reserve Board should be made accountable to the U.S. Congress for policymaking  
33. activities.  
34.

35. D. We oppose federal and state legislation which authorizes interstate banking and supersedes the  
36. rights of states to regulate the ownership and control of within their states.  
37.

38. E. We support privacy rights which prevent banks and lending institutions from selling, trading, sharing  
39. or giving information to anyone, for any reason at any time.  
40.  
41.

1. **3. FEDERAL TAXATION POLICY**

2. A. We urge that limitations be established to prevent tax-loss farming. We also urge that outside  
3. investors be prohibited from using farm losses to offset non-farm income.

4.  
5. B. We support enactment of permanent legislation to allow self-employed persons to deduct the full  
6. cost of their health insurance, including premiums, deductibles, co-pays and long-term care on  
7. federal and state income tax returns.

8.  
9. C. Cash accounting should remain available to family farmers.

10.  
11. D. We support a capital gains tax that is indexed to inflation.

12.  
13. E. We would support a capital gains exemption if land is sold to a beginning farmer.

14.  
15. F. We oppose a value-added tax or other national sales tax proposals because of the regressive nature  
16. of such taxes.

17.  
18. G. Farmers and ranchers should be allowed the same one-time capital gains benefit as homeowners,  
19. when selling property.

20.  
21. H. Federal estate tax exemption should be a minimum of \$1.3 million to protect the rights of farm and  
22. small business people to pass their estate on to their heirs.

23.  
24. I. Any reduction of federal income tax should be targeted to the first \$50,000 of an individuals's tax-  
25. able income.

26.  
27. J. We oppose the flat tax concept because it puts family farmers, particularly beginning farmers, at a  
28. disadvantage.

29.  
30. K. We oppose any attempt to require the collection of highway taxes on off-road fuel from farmers  
31. and ranchers.

32.  
33. L. We urge the Legislature to study and find adequate funding to support the present off-road tax refund  
34. programs.

35.  
36. **4. STATE AND LOCAL TAXES**

37. A. City imposed sales tax should be capped at one percent (1%).

38.  
39. B. We favor continuation of the current North Dakota sales tax exemptions, especially for food, pre-  
40. scription drugs, labor, services, utilities and farm production inputs. We also favor a rate lower than  
41. the regular sales tax rate for farm machinery and parts.

1. C. We recommend that the legislature provide funding for state mandated programs that are to be
2. administered on a local or county level.
- 3.
4. D. We call on the ND Legislature to increase state income tax and reduce existing property taxes as a
5. fairer means of raising funds for new initiatives.
- 6.
7. E. We oppose any effort to levy charges on utility bills to raise state revenues for the purpose of pro-
8. viding state and local services. We view such provisions as mechanisms designed to make utility
9. bills a method of collecting taxes. We feel this is regressive taxation, a concept we oppose.
- 10.
11. F. We oppose any proposal which would mandate a public vote on every state and local tax or fee
12. increase.
- 13.
14. G. For obtaining federal matching money, we favor relying on gas tax for the match rather than vehicle
15. license fees, as a more equitable source.
- 16.
17. H. We oppose any proposal to increase working capital needs of our petroleum cooperatives by as-
18. sessing the state highway taxes at the terminal.
- 19.
20. I. We are concerned about the loss of state tax dollars due to internet sales and encourage our Legis-
21. lature to study a way to collect those dollars.
- 22.
23. J. Due to commercial and industrial development in rural areas that creates an increased burden on
24. township roads, we support allowing townships to assess and require repairs be charged to entities
25. causing disrepair.
- 26.
27. K. We support tax reform that will equalize the price of all blends of ethanol and biodiesel with their
28. respective fuel counterparts.
- 29.
30. L. We support incentives and tax credits to U.S. producers to move North Dakota forward in the use
31. of renewable fuels.
- 32.

## 33. **5. PROPERTY TAX**

34. A. Real estate taxes on agriculturally-zoned land should be based on profitability, productivity, use
35. and soil types rather than market value.
- 36.
37. B. We favor the present exemption of farm homes and buildings for real estate tax purposes.
- 38.
39. C. We feel it is a legislative responsibility to restructure the state tax system with property tax relief being
40. a priority. This new system should include a provision to apply a portion of the burden to mineral
41. rights.

1. D. We are concerned about the loss of property tax collections due to economic development tax abate-  
2. ments. This amounts to corporate subsidy, pitting one community against another and putting an  
3. unfair burden on existing local property owners.

4.  
5. E. We support legislation to mandate accountability of city and county economic development corpo-  
6. rations.

7.  
8. **6. LABOR RELATIONS**

9. A. The rights of all employees to organize and bargain collectively should be protected. We support  
10. the Equal Employment Opportunity Act. We urge amending the Taft-Hartley Act to improve the  
11. negotiating process to protect the interests of farmers in prolonged disruptions in the grain market-  
12. ing and transportation system.

13.  
14. B. We support a reasonable minimum wage for farm labor.

15.  
16. C. We support Work Force Safety and Insurance that is fair and equitable to both the employer and  
17. the workers.

18.  
19. **7. NATIONAL AND STATE TRANSPORTATION SYSTEMS**

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

23.  
24. A. Rural Road System

25. (1) We favor federal and state government funding of farm-to-market, county and township roads  
26. from gasoline or other tax revenue. Priority should be given to roads utilized for moving farm  
27. products to regional markets.

28.  
29. (2) Federal guidelines for extensive right-of-way and rigid construction specifications for farm-  
30. to-market and rural roads must be revised for greater cost benefits and land use efficiency.

31.  
32. (3) Our entire state highway system must be preserved and maintained at a quality level. We are  
33. against reverting any of our state highways back to our counties.

34.  
35. (4) North Dakota collects a two percent use tax on agricultural fuels. We believe this tax should  
36. be based on a per gallon rate rather than on a percentage basis. At least 50 percent of this tax  
37. should be returned to the townships and counties for rural road improvement.

38.  
39. (5) Slow Moving Vehicle (SMV) and other warning standards should be used and maintained for  
40. farm equipment when traveling on roads.

1. (6) We oppose no-mow restrictions on highway right-of-ways. If no-mow areas cannot be elimi-  
2. nated, then we believe there should be a clearly defined and publicized policy of allowing  
3. farmers the opportunity to take hay from roadsides between the end of the nesting season and  
4. prior to the beginning of government mowing on existing no-mow areas.

5.  
6. We oppose any attempt to exchange “no mow areas” with state school land.

7.  
8. (7) We urge that the state of North Dakota require commercial gravel haulers to tarp their  
9. trucks.

10.  
11. (8) To keep a straight line 25% of the oil extraction tax back to oil producing counties.

12.  
13. B. Rail Transportation

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

18.  
19. Regulation of the nation’s rail system industry is needed to assure that rural areas will not be denied  
20. adequate service, that captive shippers are not charged excessive rates, or excessive fuel surcharges  
21. and that railroads will adequately maintain trackage.

22.  
23. We support:

24. (1) Legislation that requires railroad companies to comply with antitrust laws and prove they meet  
25. competitive requirements when a merger takes place.

26. (2) A reasonable single and three-car rate.

27. (3) Legislation that would allow open access to the rail system for a reasonable price.

28. (4) We urge the Surface Transportation Board to encourage the railroad to continue the co-loading  
29. of rail cars. This in turn should help allow for the continued operation of the smaller elevators.

30. (5) Public disclosure of contract freight rates allowed under the Staggers Deregulation Act.

31. (6) Railroads being responsible for all the damages they cause on their property and controlling  
32. noxious weeds.

33. (7) Amtrak services to rural cities.

34. (8) When lines are abandoned, first option on surface rights and mineral rights should go to the  
35. adjacent landowner or lessee. When land is abandoned by a railroad, it must first be offered  
36. to the adjacent landowners at fair market value, as determined by the county in which it is  
37. located.

38. We oppose:

39. (1) The use of the railroad’s 110-car shuttle program. The railroads offer this incentive to a select  
40. few making it difficult for smaller facilities to compete. This forces the closure of smaller  
41.

1. elevators, places undue burden on shippers, and puts the economy of rural communities at
2. risk.
3. (2) Inverse freight rates and the use of certificates of transportation due to the lack of competition
4. in railway service in North Dakota.
5. (3) Shortening the turn-around time of rail cars at point-of-origin and point-of-destination. Sundays
6. and holidays should not be counted in turn-around time.
7. NDFU calls on the Surface Transportation Boards to enforce the laws that govern the
8. railroads.

- 9.
10. C. Truck Transportation
11. (1) We urge adoption of uniform state standards for truck weight and length limits.
12. (2) Load limitations should be strictly enforced to reduce the damage to our roads and
13. highways.
14. (3) We support raising the mile limit for commercial drivers license exemptions from 150 miles
15. to statewide for farmers transporting their own product.
16. (4) We support the law (CC 39-06-14 paragraph 3) that allows persons 16 and older a CDL
17. (Commercial Driver's License) for custom harvest purposes only.
18. (5) We urge the N.D. DOT to address the needs of all communities caused by the loss of rail
19. service.

- 20.
21. D. Water Transportation
22. (1) We believe that reliable navigation structures on the Upper Mississippi are imperative to the
23. welfare of agriculture and industry for transportation of grain and raw material, especially
24. fertilizer.
25. (2) Because water transportation benefits the entire society, we oppose user fees for financing
26. construction or operation of waterways or ports.
27. (3) We support efforts to keep the Twin Ports and St. Lawrence Seaway competitive with other
28. ports by building a larger seaway to support larger cargo ships.

- 29.
30. E. Air Transportation
31. (1) We urge that airline service to our cities be maintained and improved, and also that rural areas are not
32. penalized in airline rate structures.
33. (2) We urge that rural representation be a requirement for any airport authority supported by rural
34. taxes.

35.

36. F. We support an interstate bus transportation system to be provided and maintained.

37.

38. G. We oppose mandatory passport requirements for ground travel to neighboring countries.

39.

40. **8. TELECOMMUNICATIONS**

41. A. We urge congressional support for the maintenance of a telephone industry structure which pre-

1. serves the ability of rural telephone systems to offer quality telecommunication services to all rural
2. subscribers at reasonable rates.
- 3.
4. B. We endorse efforts to retain the existing principle that long distance toll carriers pay an equitable
5. share for use of local telephone exchanges. We urge uniform toll rates, equitable payment by
6. competing telecommunication services for their direct or indirect use of local exchange facilities
7. and full authority for rural telephone co-ops (RTCs) to provide a complete range of broadband
8. services.
- 9.
10. C. We support the establishment and preservation of an enhanced 911 system in all of North Dakota,
11. including cellular service.
- 12.
13. D. Access to 1-900 lines should be provided only at the request of the individual phone user.
- 14.
15. E. We support efforts to provide competitively-priced, high-speed broadband access to the internet for
16. rural Americans.
- 17.
18. F. We urge communication providers to add adequate towers to provide good service for all areas of
19. North Dakota.
- 20.
21. G. We urge all rural telephone cooperatives to amend their bylaws to admit all customers to full
22. membership.
- 23.

24. **9. TRANSPORTATION SAFETY**

25. A. We support requiring railroads to erect warning light signals on all crossings near schools.
- 26.
27. B. We recommend the Highway Department cooperate with the railroad and share the cost of erecting
28. automatic warning signals at the more dangerous crossings.
- 29.
30. C. We encourage reflective strips be placed on all rail cars so they may be seen at night at rail
31. crossings.
32. D. We support safe driving practices which include Defensive Driving Courses.
- 33.

34. **10. INSURANCE**

35. A. We urge the current Auto Accident Reparations Act (Modified No-Fault) be amended to include
36. a formula to compensate self-employed individuals for loss of earnings based on their annual
37. income.
- 38.
39. B. We recommend that the North Dakota Legislature enact into law a requirement that all custom
40. operators carry liability insurance to protect the farmer who hires them.
- 41.

1. C. We urge that liability against political subdivisions be limited to cases of gross negligence.
- 2.
3. D. We support a mandate from the state of North Dakota to all our car insurance companies doing
4. business in the state to notify the state when a vehicle insurance is allowed to lapse. We support a
5. law to allow for revocation of a vehicle license plate until the vehicle is insured.
- 6.
7. E. We believe there should be limitations established on the awards provided in liability and medical
8. malpractice cases.
- 9.
10. F. We urge the investigation of all repeat worker compensation claims.
- 11.
12. G. We oppose the privatization of Work Force Safety and Insurance. We recommend that WSI revert
13. back to the governor's oversight.
- 14.
15. H. We urge Congress to pass legislation that will help insurance and re-insurance companies cover
16. claims from acts of terrorism.
- 17.
- 18.
- 19.

## 20. **SECTION X. SOCIAL POLICY AND THE FAMILY FARM**

21.

22. National, state and local government should constantly strive to preserve and expand freedom of thought,

23. speech, radio, television and press, freedom of secret ballot, religion, assembly, freedom to organize and to

24. petition the government for a redress of grievances.

### 25.

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

27. We support equal rights for all, regardless of sex, race, creed, occupation or national origin.

### 28.

### 29. **2. GOVERNMENT REFORM**

30. We urge the following reforms in our government:

31. A. Enforcement of a code of ethics and practice for all members of all branches of government.
- 32.
33. B. The United States of America has always been special because of the rights and freedoms that our
34. citizens enjoy. In defending our country we should not destroy those very rights and freedoms. We
35. therefore, urge the Congress to ensure further oversight of government surveillance in the United
36. States, including information of what violations might have been committed.
- 37.
38. C. We oppose term limitations because they are a limitation on the right of citizens to choose and elect
39. their public officials.
- 40.
41. D. We support the concept of public financing of political campaigns of all federal offices. We feel

1. there is a need for campaign finance reform, starting with spending limitations.
- 2.
3. E. We believe political campaigns should have a time limit and candidates should be held responsible
4. for making false claims.
- 5.
6. F. News media should be prohibited from broadcasting results of balloting until the polls are closed
7. in all states.
- 8.
9. G. The reapportionment of legislative districts should cross as few county lines as possible and seek
10. to retain communities of common interest within district boundaries. We support the concept of
11. one senator from each county to give geographical balance to our legislature.
- 12.
13. H. We support mandating an independent commission to determine state legislative district lines after
14. each 10 year census.
- 15.
16. I. We recommend that county commissioners be elected from specified districts.
- 17.
18. J. We support legislation to allow county commissioners to consolidate or eliminate county offices
19. only if cost savings may be realized and there is no negative impact on services.
- 20.
21. K. We urge that constitutional measures be simplified and presented to the voters in a clear and concise
22. manner at general elections.
- 23.
24. L. Presidential electors are elected on a winner take all at the present time in North Dakota. This means
25. if a candidate receives one vote more than the competitor, that person receives all the election votes
26. from North Dakota for president.
- 27.
28. This is unfair to the minority party candidate and those who voted for that person because the voters
29. of the minority do not count.
- 30.
31. We propose that presidential electors be elected on a percentage basis. We have three congressional
32. people in Washington. North Dakota's electors should be divided into thirds. For every third a party
33. receives, that party would receive one electoral vote. This would mean that a candidate would need
34. to receive at least one-third of the votes cast to receive an electoral vote from North Dakota. Any
35. amount over two-thirds would receive all three electoral votes.
- 36.

### 37. **3. EDUCATION**

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

41.

1. A. Free public education must remain a goal of school boards and administrators. Special fees discriminate
2. against those who have the greatest need for the broadest educational opportunities. Such charges
3. should be borne by all citizens and not individual students.
- 4.
5. B. Our schools need to focus on their primary goal of education, therefore we urge greater emphasis
6. on classroom work and less emphasis on athletic activities.
- 7.
8. C. The instruction of cooperative objectives and philosophy should be made available to all students.
- 9.
10. D. School funding for elementary and secondary schools should be based on the historic foundation aid
11. formula of 70 percent per pupil. We oppose increased reliance on local property taxes for funding
12. schools because it discriminates against rural schools and places an unfair burden on property owners.
13. Additional financial support for educational programs, teacher salaries or teacher qualifications
14. mandated by the state or federal governments should be provided by the state and federal governments
15. so that local school districts may also preserve and expand educational programs.
- 16.
17. E. We would support legislation that will allow all school districts in North Dakota an equal opportunity
18. to participate with after-school programming.
- 19.
20. F. We support alternatives such as joint powers agreements to reduce expenses, including but not
21. limited to, the sharing of administration, programs, teachers and communications technology. We
22. also support cooperating or consolidating school districts if it ensures a higher-quality education
23. and/or becomes economically necessary. Institutions of higher education should be eligible to be
24. members of joint powers agreements.
- 25.
26. G. School districts must provide transportation at no cost to rural school patrons through state fund-
27. ing of school busing expenses. Special consideration needs to be given to the length of school bus
28. rides.
- 29.
30. H. NDFU supports a bill that would appropriate the money earned from the leases of land owned by the
31. State of North Dakota to be directed to the school districts which are in the boundaries of such leased
32. land.
- 33.
34. I. We believe that local school boards should determine when to start public school according to the
35. best interest of the students' education.
- 36.
37. J. In school dissolutions and annexation hearings, we ask that all property owners wishes be considered.
38. We believe that the future of rural schools should be determined locally.
- 39.
40. K. We urge the ND Legislature to amend the law requiring schools to make up all time lost. The current
41. law puts children and staff at risk, since schools are less likely to start classes late or dismiss early on

1. storm days. It also discourages schools from setting aside time for professional staff development,  
2. which is critically needed to meet ongoing demands of the No Child Left Behind requirements.  
3. We support legislation that would allow local school boards the authority to count two-thirds of  
4. a day as a full day on six occasions a year for school improvement plan work, professional staff  
5. development, or emergencies deemed necessary by the local school board.

6.  
7. L. We urge our local school boards and administration to implement crisis planning and safe schools  
8. training for their schools.

9.  
10. M. It is important that North Dakota higher education should not suffer due to inadequate funding.

11.  
12. N. All of the state's academic institutions should be administered to allow complete flexibility on student  
13. programs with all credits transferable.

14.  
15. O. We urge continuation and expansion of low interest student loans and other types of financial as-  
16. sistance for college students. Eligibility for financial assistance should be based on earnings.

17.  
18. P. We urge Congress to reexamine how the current 'No Child Left Behind Act' will impact rural  
19. schools. Schools need more time, money and a more equitable way of determining annual yearly  
20. progress.

21.  
22. Q. We urge the NDFU Board of Governors and NDFU Board of Directors to explore the feasibility of  
23. sponsoring an agricultural program in our schools in the form of a lyceum and other forms of ag  
24. education that are feasible.

25.  
26. R. We urge the North Dakota Legislature to provide funding for at least five students to complete  
27. veterinarian school. Those receiving these funds must return to North Dakota and be a practicing  
28. large animal veterinarian for a minimum of three years.

29.  
30. **4. HEALTH**

31. A. An affordable, comprehensive health plan should be developed that will enable all citizens to be-  
32. come fully participating members of medical, mental, dental, hospitalization, nursing home care  
33. and prescription drug benefits.

34.  
35. We support current and future initiatives to provide reimbursement for the full cost of providing  
36. rural health care.

37.  
38. B. We encourage North Dakota Farmers Union to study establishing a group health plan for its mem-  
39. bers to participate in.

40.  
41. C. We urge Congress to pass a Patient's Bill of Rights.

1. D. Long-range planning for health facilities and services must be continued and funded to prevent  
2. costly duplication, to ensure availability of health care to monitor costs and to give the consumer  
3. a voice in the health care system.  
4.
5. E. NDFU believes that an affordable and comprehensive public option should be developed that will  
6. enable all citizens access to a health care plan. We call on our congressional delegation to lead the  
7. reform initiative of our current health care system and ensure that all Americans, especially rural  
8. Americans, have access to health care.  
9.
10. F. Between now and the adoption of such a plan, federally funded programs, such as Medicare and  
11. Medicaid, should reimburse health care providers and services at the same rate as privately insured  
12. individuals. Hospitals in rural areas should be reimbursed at the same rates as those in metropolitan  
13. areas.  
14.
15. G. We encourage our congressional delegation to improve the medication coverage in Medicare Part D.  
16.
17. H. Private-pay residents of nursing homes and health care facilities should pay the same rates as those  
18. who receive public assistance.  
19.
20. I. To guard the future good health and wellness of Americans and to realize cost savings, long-term  
21. and planning must assure that:  
22. (1) Health promotion and education is given high priority because lifestyle choices and wellness  
23. are directly connected.  
24. (2) Third party reimbursement may be charged for services provided by any health professional,  
25. including registered nurses, nurse practitioners and physician's assistants to allow improved  
26. access to home health care, health promotion and health maintenance. This reimbursement  
27. may also be provided for resident care givers.  
28. (3) Home health care must be available for those who need aid in maintaining a household yet do  
29. not need institutional care.  
30. (4) New uses must be created for those facilities that are not needed or that cannot financially keep  
31. up with today's technological demands.  
32.
33. J. Emergency Services  
34. (1) Emergency medical services, training and equipment must be funded. Our rural communities  
35. depend on volunteers who need continuing education and support.  
36. (2) We urge North Dakota to develop a volunteer emergency personnel compensation and a retire-  
37. ment plan.  
38.
39. K. To further contain increasing costs of health insurance, we urge the state legislature to place Blue  
40. Cross-Blue Shield health insurance rates under control of the State Insurance Commissioner, and  
41.

1. that a majority of the company's board be made up of consumer representatives. The appointment  
2. of consumers should be subject to the approval of the State Insurance Commissioner.  
3.
4. L. We support establishment of non-profit member-controlled health maintenance organizations (HMOs)  
5. and other health cooperatives to serve rural and urban areas in North Dakota.  
6.
7. M. We urge adequate state funding of CHIP (Children's Health Insurance Program), and we urge the  
8. state to increase eligibility to 200% of poverty level.  
9.
10. N. We support allowing any North Dakota resident to buy into the state health insurance program (ND  
11. PERS).  
12.
13. O. We support efforts to provide smoke-free establishments.  
14.
15. P. We urge local school districts to enforce policies that establish tobacco-free school buildings and  
16. grounds.  
17.
18. Q. We urge that a portion of the tobacco settlement be used in prevention of tobacco use and health-  
19. related issues.  
20.
21. R. We support the teaching of CPR and first aid in grade schools and high schools for students and  
22. adults.  
23.
24. S. We support provisions by the federal and/or state departments for radon testing and water well  
25. testing for toxic chemicals.  
26.
27. T. We support the licensing of hospices with some flexibility in the law so hospices can be a service  
28. in rural areas.  
29.
30. U. Since North Dakota Blue Cross/Blue Shield has been granted the right to become a non-profit mutual  
31. insurance company, we should monitor any legislation that may be introduced that would enable  
32. them to change their status from a non-profit mutual company to a for-profit mutual company or a  
33. stock company.  
34.
35. V. We urge Congress to fully fund out-patient clinics and hospitals for veterans.  
36.
37. W. We urge the state and national Farmers Union to lobby for methods of payment that will ensure  
38. adequate vaccination coverage for our children.  
39.  
40.  
41.

1. **5. DAYCARE CENTERS**
2.     A. We support funding of programs to enable daycare centers to achieve and maintain affordable rates,
3.         in addition to ensuring a safe and healthy environment.
- 4.
5.     B. We endorse Carecheck as a valuable resource for protecting children in all licensed and unlicensed
6.         daycares across North Dakota.
- 7.
8. **6. NATIONAL AND STATE PROGRAMS FOR ELDERLY AND LOW INCOME PERSONS**
9.     A. We urge Congress to make funds available to provide jobs for elderly low income persons in
10.         worthwhile and well accepted programs and senior community service projects. We would further
11.         urge the Legislature of North Dakota to enact legislation that creates a similar program on a state
12.         level to supplement the federal programs.
- 13.
14.     B. We oppose borrowing from Social Security and Medicare funds for other purposes. Until this
15.         practice stops, we believe any money borrowed from these funds for general fund purposes should
16.         be replaced with general fund dollars. There should not be an increase in Social Security or Medicare
17.         taxes or a reduction in benefits to replace this money.
- 18.
19.     C. We urge a continuation of the efforts to correct an inequity in Social Security benefits for recipients
20.         born during the notch years which results in reduced entitlements for basically the same level of
21.         contributions.
- 22.
23.     D. We oppose allowing individuals to invest a portion of their Social Security taxes in private invest-
24.         ments.
- 25.
26.     E. We urge Congress to change Social Security eligibility requirements so that individuals who haven't
27.         worked outside the home long enough qualify for benefits.
- 28.
29.     F. We urge Congress to change the amount of Social Security benefits individuals should receive in
30.         the case of death or disability of a spouse to the maximum amount they are entitled to plus half of
31.         their spouse's benefit.
- 32.
33.     G. We urge Congress to change laws so that husband and wife who are equal business partners are
34.         able to collect equally on the Social Security tax that was paid in as a result of that business.
- 35.
36.     H. We urge Congress to remove the salary cap on the Social Security tax for wages earned.
- 37.
38.     I. As an alternative to single and limited coverage insurances for our senior citizens, we urge the
39.         State of North Dakota to institute an insurance program to fully cover those costs not covered by
40.         the Medicare program.
- 41.

- 1. J. We urge effective cost controls for Medicare and Medicaid, however, we oppose stringent require-  
2. ments which pre-determine the health services a patient may receive.  
3.
- 4. K. Programs such as the Work Incentive Program need greater emphasis and funding in this nation's  
5. social service efforts to assist families to move out of the poverty and public assistance cycle.  
6.
- 7. L. We support continued funding for the North Dakota Displaced Homemaker Program.  
8.
- 9. M. We support the current heating assistance program for low income and elderly persons and call on  
10. the State of North Dakota to use a portion of the surplus general funds for additional assistance.  
11.

12. **7. NUTRITION**

- 13. A. We urge continuation of the Supplemental Nutrition Assistance Program (SNAP) and the free and  
14. reduced cost school lunch program for all eligible students.  
15.
- 16. B. We support the free milk program in our school system.  
17.
- 18. C. We encourage educational programs to promote wholesome diets consisting of cereal, meat, dairy,  
19. fruits and vegetables and other agricultural products.  
20.
- 21. D. We urge the expansion of USDA commodity distribution programs, to improve school and other  
22. nutritional programs.  
23.
- 24. E. We support the use of American products in state institutions.  
25.
- 26. F. We support the Meals-on-Wheels program.  
27.

28. **8. SOCIAL PROBLEMS**

- 29. A. North Dakota Farmers Union supports the task force on drug traffic to work with law enforcement  
30. agencies in every North Dakota county and city. The state of North Dakota should pay the costs of  
31. prosecuting drug cases since this is a statewide concern and limited local resources slow or stop  
32. enforcement.  
33.
- 34. B. We urge that a portion of the profits from gambling be set aside to combat addiction and other social  
35. problems.  
36.
- 37. C. We support a national registry and a strict monitoring program for sexual offenders.  
38.
- 39. D. We oppose legalization of internet gambling in the state of North Dakota.  
40.  
41.

1. **9. PROPERTY ABUSE**
2. Due to the abuse of public and private property by vandalism and trespassing, we recommend punish-
3. ment and penalties for such crimes to include full restitution of damages.
- 4.
5. **10. U.S. POSTAL SERVICE**
6. Because we are losing farm population, the U.S. Postal Service is reducing service, both in route cuts
7. and post office business hours, in rural areas. We urge the U.S. Postal Service to provide equal service
8. to those remaining rural residents. We encourage the Postal Service not to determine mail routes based
9. on population or mileage.
- 10.
11. **11. NORTH DAKOTA HERITAGE**
12. We support the work of the North Dakota Heritage Foundation and its objectives of promoting and im-
13. proving the North Dakota Heritage Center.
- 14.
15. **12. FLAG ETIQUETTE**
16. We urge the proper display and respect of the United States flag, the state flag of North Dakota, and
17. support the reciting of the Pledge of Allegiance as currently written.
- 18.
19. **13. THE WORLD WE LIVE IN**
20. A. The United States has a responsibility as a world leader to continue support for the United Nations
21. and its specialized agencies for the development of coordinated programs to expand and strengthen
22. the economies of the nations of the world.
- 23.
24. B. The goals of our nation's foreign policy and the United Nations should be to promote the attainment
25. of human rights and aspirations, the recognition of the rights of self-determination, the elimination
26. of cultural barriers that interfere with the free flow of information, ideas and persons, and the shar-
27. ing of technical and economic aid.
- 28.
29. C. We call upon our government to exhaust every channel through the United Nations to reach peaceful
30. solutions to international problems.
- 31.
32. D. We strongly urge participation in and recognition of World Food Day established as an annual event
33. through the United Nations.
- 34.
35. E. We support efforts to establish a mutually verifiable international freeze on the development and
36. production of nuclear weapons and on new weapons systems.
- 37.
38. F. We support foreign aid programs of food aid, and urge that such aid be done in ways that do not
39. damage the livelihood of third world farmers.
- 40.
- 41.

1. G. We deplore the exploitation of children and support labor laws which protect children's rights.

2.

3.

## 4. **SECTION XI. OUR FAMILY FARM ORGANIZATION**

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

10.

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

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

14. (1) Quality local and county meetings.

15. (2) Regular planning meetings of their officers to effectively implement the many programs of  
16. our organization.

17. (3) An opportunity for greater youth and young adult participation in local meetings and other  
18. Farmers Union functions.

19. (4) Encouragement to young farm families to attend and to take an active part in the guidance and  
20. direction of the local, county, state and national Farmers Union organizations.

21. (5) Notices of meetings to every member and invitations to managers, directors and employees  
22. of area cooperatives to attend local meetings and county and state conventions.

23. (6) Information to the North Dakota Union Farmer and area newspapers as to local activities to  
24. promote greater interest in North Dakota Farmers Union and its activities.

25.

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

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

28. A. Cooperative Education

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

32.

33. B. Junior and Senior Youth Education Program

34. The junior and senior youth program goals should be stressed and continued for the education of  
35. our young in cooperatives, in government, in agriculture and our organizational objectives. We urge  
36. that youth and volunteer leaders attend teacher training and leadership workshops.

37.

38. C. Young Adult Education and Farmers Union Collegiate Chapters

39. The young adult education program and Farmers Union Collegiate Chapters should be continued  
40. and increased. We urge more activities for young adults to inform them on involvements in Farmers  
41. Union.

1. D. Adult Education
2. Recognizing education of our membership as one of the basic purposes of our organization, we
3. encourage a continuing effort in developing resource materials for use by our local organizations
4. in conducting a vigorous adult education program paralleling our youth program. Such materials
5. should be accompanied by subject outlines on topics of current interest, concern and importance
6. to our membership.
- 7.
8. County officers are encouraged to fully utilize the services of the NDFU Outreach Staff to assist
9. in accomplishing the objectives of our adult education program. County boards of directors shall
10. have a significant voice in selection of and determination of duties of Outreach Staff persons for
11. their area.
- 12.
13. E. Consumer Education
14. Our organization should continue consumer education programs illustrating the role of agriculture
15. in the economy, the farm portion of the USDA budget, the condition of family farmers and the
16. actual relationship between the price of food and fiber on the farm and the product on the shelf.
- 17.
18. F. Farmers Union Insurance Education
19. We charge Farmers Union Insurances with the responsibility of educating agents and policyholders
20. with regard to coverages of their policies. The Union Farmer should be a major vehicle for such
21. insurance education.
- 22.
23. G. Young Couples' Seminars
24. We urge closer coordination of young farm couples' seminars between our organization, our affiliated
25. cooperatives and other rural organizations.
- 26.
27. H. Bus Tours
28. Educational tours through the use of NDFU buses for cooperative and legislative purposes should
29. be expanded through coordinated efforts of the county and state organizations.
- 30.
31. I. Young Producer Meetings
32. We urge continuation and expansion of county-sponsored young producer meetings, fully utilizing
33. their state staff and Field Staff for these programs. Such educational programs should address the
34. present problems of farming, including marketing and financial planning.
- 35.
36. J. Beginning Farmer Outreach
37. We call upon North Dakota Farmers Union to develop and implement educational workshops for
38. beginning and prospective farmers. Such workshops should be held at selected locations around
39. the state and should include information on various state and federal programs – FSA, BND loans,
40. farm diversification grants, financial analysis and record keeping and other resources designed to
41. put a new generation on the land.

1. K. Personal Contact
2. We urge county and local organizations to develop educational programs of personal contact and
3. recruitment.
- 4.
5. L. We urge NDFU to continue to implement a program recognizing outstanding dedication and efforts
6. in Farmers Union and the cooperative movement.
- 7.
8. M. We favor continuation of the Farm Family of the Year Program.
- 9.
10. N. We urge the county organizations, where financially feasible, to send nonvoting members to
11. participate in the educational activities at the state and national convention.
- 12.
13. O. We encourage NDFU to organize state disaster relief to aid rural communities hit by natural
14. disasters.
- 15.

16. **3. MEMBER AND PEOPLE EXCHANGE**

17. We support rural-urban, national, international and farm-urban congressional exchange programs. We

18. urge North Dakota Farmers Union to continue their support and interest in exchanges among youth and

19. members and to help start such a program for locals and counties.

20.

21. **4. FARMERS UNION EDUCATION AIDS**

22. A. We recommend that local and regional cooperatives and state and county Farmers Union organi-

23. zations cooperate in providing college scholarships and summer employment for Farmers Union

24. youth, especially to those who plan a future in family farm agriculture and cooperatives.

25.

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

27. directors.

28.

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

30. We strongly encourage Farmers Union state officers and directors to meet with officers, directors and leaders

31. of North Dakota labor unions; educational, church and consumer groups; and other farm organizations

32. to explore areas where joint study and action would be most productive for all of the memberships of

33. these organizations.

34.

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

36. The purpose of membership communications and public communications, including publicity, publica-

37. tions, broadcast media and other communication vehicles, should achieve the following:

38.

39. A. To keep membership informed on Farmers Union policies, activities and all farm and public interest

40. issues.

41.

1. B. To promote a better understanding of the purposes and objectives of Farmers Union cooperatives,  
2. to increase patronage and loyalty and to create closer relationships between Farmers Union and its  
3. affiliated cooperatives on all levels.  
4.

5. C. To promote public understanding and public acceptance of Farmers Union principles and objec-  
6. tives. It is imperative that NDFU and county Farmers Union organizations seek a higher visibility  
7. of their activities through television and radio advertising and relate those activities to cooperative  
8. support.  
9.

10. NDFU, in cooperation with NFU and other state organizations, shall use appropriate technology,  
11. such as the internet, to effectively inform consumers and policymakers about educational issues  
12. such as family farms, food safety, farmer's share of the food dollar, etc. NDFU supports NFU's  
13. 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  
14. our urban neighbors and Congress.  
15.

## 16. **7. FARMERS UNION TIES**

17. A. The affiliation of Farmers Union cooperatives and Farmers Union Insurances to the Farmers  
18. Educational and Cooperative Union of America are paramount to any other affiliation because such  
19. activities have been built by Farmers Union people as component parts of an organization of, by  
20. and for family farmers. Affiliations of Farmers Union cooperative activities with other cooperatives  
21. and associations, federations and joint undertakings are highly desirable and are recommended if  
22. they do not jeopardize ties with Farmers Union or harm any other Farmers Union cooperative.  
23.

24. B. North Dakota Farmers Union must take a leadership role in working with other farm organizations  
25. and agriculture coalitions from the local to the national level in an effort to determine common goals  
26. so that we might speak with a unified voice for the American farmer. We ask similar leadership  
27. by our organization in developing better working relationships with global farm and cooperative  
28. organizations. We urge consideration of sponsorship of regional meetings at which farmers, busi-  
29. ness persons and other rural leaders can discuss agricultural policy directions and the future of rural  
30. America.  
31.

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

33. A. We believe that neither the local, county, state nor national Farmers Union organizations, nor any  
34. of their affiliates, should become involved in the endorsement of political candidates.  
35.

36. B. Effective action by members requires direct participation as individuals in selection of candidates  
37. in primary elections, caucuses and conventions; promoting and taking part in discussions of the  
38. issues and the stands of the candidates on the issues; and exerting personal influence and extending  
39. financial aid, where able; and voting for candidates who support the Farmers Union program.  
40.  
41.

1. C. North Dakota Farmers Union shall continue to encourage and assist its members in lobbying elected  
2. and appointed officials to support Farmers Union positions.  
3.

4. **9. MEMBER RESPONSIBILITIES**  
5. Farmers Union members should participate in and accept leadership responsibilities for civic, service and  
6. economic organizations in trade center areas in which they live. Farmers Union organizations should seek  
7. opportunities to appear before town and city audiences to discuss mutual problems. Town and city people  
8. within the trade area should be invited by members to patronize Farmers Union affiliated service, supply and  
9. credit union cooperatives.  
10.

11. **10. INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS**  
12. Membership of National Farmers Union in the International Federation of Agricultural Producers should  
13. be continued.  
14.

15. **11. NATIONAL FARMERS UNION**  
16. A. The National Farmers Union convention should be held within an organized Farmers Union state  
17. during the last week of February or first week of March.  
18.  
19. B. In order to be fully representative of operating farmers, we believe that the national program drafting  
20. committee members must be working farmers. Salaried state or national Farmers Union officials  
21. should not be eligible to serve on this and other national convention committees.  
22.  
23. C. We recommend a bylaws provision in our national organization providing for the election of president  
24. and vice president by delegates using an FSA-type ballot.  
25.  
26. D. We encourage National Farmers Union to sponsor a farm-urban congressional exchange to bring the  
27. respective congressmen to the city and farm to see and feel the problems first-hand. Communication  
28. and understanding are extremely important.  
29.  
30. E. Since the majority of people in this country are not connected to farming directly or indirectly, we  
31. encourage National Farmers Union to prepare an educational program about farming to be taught  
32. in every school throughout the United States.  
33.  
34.  
35.  
36.  
37.  
38.  
39.  
40.  
41.

# GLOSSARY OF TERMS & ABBREVIATIONS

**ACP** – Agricultural Conservation Program

**AFO/CAFOAID** – Animal Feeding Operation/Confined Animal Feeding Operation U.S. Agency for International Development (USAID)

**AFTA** – Australian Free Trade Agreement

**AMS** – Agricultural Marketing Service

**AMT** – Alternative Minimum Tax

**AMTA** – Agricultural Marketing Transition Act refers to Title I of the 1996 farm law (see FAIR)

**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

**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

**BGH** – Bovine Growth Hormone

**BFP** – Basic Formula Price

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

**CAFO/AFO** – See AFO

**CAMP** – Certified Agricultural Mediation Program

**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

**CAFTA** – Central American Free Trade Agreement

**CBO** – Congressional Budget Office

**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

**CCP** – Countercyclical payments

**CFTC** – Commodity Futures Trading Commission, which has regulatory oversight of U.S. futures trading

**Check-off 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

**CHIA** – Cattle Industry Improvement Act (has been reintroduced in the current session of Congress as the Livestock Industry Improvement Act)

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

**CO<sub>2</sub>** – Carbon dioxide

**Come Shop With Me** – Education campaign to alert consumers to child labor and other sweat shop practices used in producing clothing and other products

**Cooperative Development Centers** – Regional centers set up to further the cooperative movement

**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

**COT** – Certificate of Transportation

**CBOT** – Chicago Board of Trade

**CSREES** – Cooperative State Research, Education and Extension Service

**DEIP** – USDA's Dairy Export Incentive Program

**DP** – Direct Payments

**EEP** – USDA's Export Enhancement Program

**EIS** – Environmental Impact Statement

**EQIP** – USDA's Environmental Quality Incentive Program

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

**FACT Act** – Food, Agriculture, Conservation and Trade Act of 1990; the 1990 farm law

**FAIR** – Federal Agriculture Improvement and Reform Act of 1996; the 1996 farm law

**FAS** – Foreign Agriculture Service

**FCIC** – Federal Crop Insurance Corporation — This has been reorganized to become the Risk Management Agency (RMA) of the U.S. Department of Agriculture

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

**FDIC** – Federal Deposit Insurance Corporation

**FED** – Federal Reserve Board

**FIFRA** – Federal Insecticide, Fungicide, and Rodenticide Act

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

**FTAA** – Free Trade Area of the Americas

**Fusarium Head Blight** – Fungal disease affecting wheat and barley; also known as scab

**GAO** – General Accounting Office

**GATT** – General Agreement on Tariffs and Trade

**GMOs** – Genetically Modified Organism or Genetic Engineering (GMOs) shall mean 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 shall include recombinant DNA, cell fusion, micro and macro-encapsulation, gene deletion and doubling, introducing a foreign gene and gene repositioning; it shall not include crop breeding, cojugation, fermentation and hybridization

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

**GSM-102** – Short-term export credit guarantees

**GSM-103** – Intermediate term (3-10 year) export credit guarantees

**HEL** – Highly Erodible Land

**IFAP** – International Federation of Agricultural Producers, of which NFU is a charter member

**IFAD** – International Fund of Agricultural Development

**IRA** – Individual Retirement Account Humphrey Hawkins Act of 1978 labor law

**ITC** – Investment Tax Credit (not to be confused with the USITC, the U.S. International Trade Commission)

**LDP** – Loan deficiency payments. Intended to prevent delivery of loan collateral to CCC. LDP's are taken in lieu of securing a CCC loan. LDP's are taken when prices fall below the loan rate

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

**Motor Voter** – Law which allows citizens to register to vote at the motor vehicle department

**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

**NCE** – National Cheese Exchange—formerly a cash market that traded bulk cheddar cheese, located in Green Bay, WI.; it established the dairy producer pay price until it closed on April 26, 1997

**NCFC** – National Council of Farmer Cooperatives, a private, non-profit organization

**NO<sub>2</sub>** – Nitrous oxide

**Nonrecourse Loan** – A commodity loan which gives the producer the option of repaying the loan in cash or forfeiting the crop

**Notch Years** – Approximately 1917 through 1921

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

**OAA** – Older Americans Act; legislation which provides the authorizing language for programs designed for older Americans, including training and employment programs, nutrition and transportation assistance

**OMB** – Office of Management and Budget

**Packer Consent Decree** – A 1921 agreement struck between packers and the Attorney General's office which allowed the packers to avoid antitrust prosecution in exchange for agreeing to: 1) sell holding in stockyards, railroads, market newspapers, and public warehouses; 2) abandon all retail meat business; 3) abandon control of transportation facilities; and 4) dissolve any conspiracies with other packers

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

**P&S** – Packers and Stockyards Act

**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

**PL-480** – Public law that authorizes the U.S. to provide food aid to the needy in other countries

**PMA** – Power Market Authority

**PRIA** – Public Rangeland Improvement Act

**PSC** – Public Service Commission

**RBS** – Rural Business Service

**RECDA** – Rural Economic and Community Development Agency

**RMA** – Risk Management Agency

**Reclamation Law (1902)** – Authorized the Bureau of Reclamation to establish western irrigation projects; the law imposed acreage limits on irrigated land

**Recourse Loan** – A commodity loan which must be repaid in cash plus interest

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

**RFG** – Reformulated Gasoline

**RHS** – Rural Housing Service

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

**SBA** – Small Business Administration

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

**Scab** – Fusarium Head Blight– fungal disease affecting wheat and barley

**SCOOTs** – BNSF rail program

**SCSEP** – Senior Community Service Employment Program authorized by Title V of the Older Americans Act and administered by the U.S. Labor Department

**Section 22** – U.S. law which allows the Secretary of Agriculture to operate farm programs

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

**Star School/Medical Link** – Telecommunications used to link research hospitals to community hospitals

**TVA** – Tennessee Valley Authority

**VAT** – Value-added tax

**World Food Summit** – U.N. meeting between heads of state committed to reducing hunger

**WRP** – Wetlands Reserve Program

**WTO** – World Trade Organization; body created in the last major trade agreement, which handles disputes between signator nations to the Uruguay Round of the General Agreement on Tariffs and Trade

# INDEX

Absentee Ownership.....	33	Loans.....	26
AFTA.....	20	Marketing.....	3
Agricultural Products Utilization Commission.....	10	Promotion.....	11
Agriculture		Research.....	12
Commissions.....	9	Common Carrier.....	51
Conservation.....	38, 39	Concentration.....	7, 20, 33, 47, 49
Control of.....	2	Condemnation (See Eminent Domain)	
Department (See Department of Agriculture)		Congress.....	9, 13, 15, 17, 19, 20, 25, 26, 27, 42, 52, 57, 59, 60, 62-65, 70, 71, 72
Research.....	8-12, 15, 40, 44-49	Conservation	
Structure of.....	1	Agriculture.....	3, 4, 8, 9, 37, 38
Sustainable.....	6, 8	Energy.....	46, 51
Trade.....	4, 14, 16-19	Reserve Program.....	4, 8, 39
Air Transportation/Airports.....	57	Soil.....	38, 39, 42
Alternative Agriculture.....	8	Consumers.....	14, 15, 16, 19, 20, 24, 45, 49, 50, 64, 71
American Fisheries Society.....	44	Cooperatives.....	28-33
Amtrak.....	56	Affiliations.....	31
Animal		Communications.....	31
Identification.....	25	Credit System.....	27
Rights.....	21	Delegates.....	30, 31
Unit.....	39	Directors.....	30, 31, 32, 68, 70
Anti-Trust.....	7, 17, 18, 52, 56	Education.....	68
Appeal System.....	43	Electric.....	50
Aquaculture.....	10	Health.....	64
Assembly, Freedom of.....	59	Mergers.....	33
Attorney General.....	9, 34	Patronage.....	29, 31, 71
Automobile Insurance.....	58	Principles.....	29-31, 33
Ballot, Right of.....	59	Purchases.....	31
Bank of North Dakota.....	10	Regional.....	29
Bankruptcy.....	12	Resolutions.....	31
Banks.....	52	Telephone.....	50, 58
Bargaining.....	29, 35	Value-Added.....	26, 30, 32
Barter Agreements.....	5	Corporate	
Beef.....	11, 12, 15, 21, 24	Control.....	2, 33
Beginning Farmers.....	3, 25, 26, 53	Divestiture.....	33
Bill of Rights.....	1, 7, 62	Farming.....	31, 35
Biodiesel.....	48	Integration.....	7, 14
Biotechnology.....	12, 14	Mergers.....	52
Bioterrorism.....	19, 24	Taxes.....	51
Blue Cross Blue Shield.....	63	Cost of Production.....	3, 7, 17, 19
Board of University and School Lands.....	28	County	
Borrower Rights.....	26	Farmers Union.....	32, 70, 71
Brand Inspection.....	9	Government.....	54, 55
BSE.....	24	Roads.....	55, 57
Budget, Governmental.....	5, 51	Zoning.....	23, 36
Buffalo.....	10	Country-of-Origin Labeling.....	15, 16
Business, Small.....	28, 52, 53	CPR.....	64
Busing, School.....	61	Credit.....	12, 14, 26, 27, 32, 52
Bus Tours.....	69	Controls.....	52
Campaigns.....	59, 60	Cooperative.....	27
Canada.....	17, 20	Farm.....	27
Canadian Free Trade Agreement.....	20	Sales Contracts.....	5, 14
Capital Gains Tax.....	53	Unions.....	32
Capper-Volstead Act.....	29, 30	Crop	
Carbon Sequestration.....	4, 8, 34, 36	Diseases.....	10, 12
Carecheck.....	65	Insurance (Multi-Peril).....	7
Chemicals.....	17, 45, 46, 64	Practices.....	38
CHIP (Children's Health Insurance Program).....	64	Reporting Service.....	12
Churches.....	23	CRP.....	9, 39, 40
Civil Rights.....	59	Custom Operators.....	58
Coal.....	37, 45, 48	Dairy.....	9, 16, 20
CoBank.....	32	Diagnostic Team.....	20
Code of Ethics.....	59	Dakota Gasification Plant.....	48
Colleges.....	12	Dakota Pride Cooperative.....	10
Commodity		Dams.....	42, 50
Check-offs.....	11	Day Care Centers.....	65
Credit Corporation.....	5	Decoupling.....	18
Distribution Programs.....	66	Deficiency Payments.....	39
Exchanges.....	13	Delegates, Co-op.....	30, 31
Labeling.....	15		

Department of Agriculture (See also USDA)	
North Dakota	9, 10
United States	3, 5, 7, 8, 9, 11, 13, 15, 17, 24, 28, 64
Developing Nations	16
Devils Lake	41, 42
Directors, Co-op	30, 31, 32, 70
Displaced Homemaker Program	66
DR-CAFTA	20
Drug Abuse	66
Dues Check-off	31, 32
Easements	27, 36, 41-44
Economic Development	11, 26, 28, 29, 31, 55
Economic Policies	51-59
Education	
Consumer	69
Cooperative	68
Farmers Union	68, 70
Higher	10, 61, 62
Insurance	69
Political	71
Public	61
Educational Funds	29, 31, 32
Elections	60, 71
Electric Utility Tax	50
Electric Wheeling	50
Electricity	48, 50
Elevators	5, 13, 32, 56, 57
Embargoes	17
Eminent Domain	36, 43, 51
Employment	55, 70
End-Use Certificate	17
Endangered Species	46
Energy	3, 8, 35, 45, 46-51
Development	35, 45, 47, 48
Transmission	35, 47, 49, 50, 51
Environment	4, 13, 16, 18, 20, 21, 37, 44, 45, 47, 63
Environmental Treaties	46
Equal Employment Opportunity Act	55
Equal Rights	59
Erosion	40
Estate Planning	37
Ethanol	48, 49
Ethics, Code of	59
Exchange Programs	70
Exports	5
Extension Service	10
Family Farm	
Credit Policy	26-28
Definition	2
System of Agriculture	2
Tax Policies	52
Farm	
Co-ops	26, 31, 33
Credit Administration	27
Credit Review Board	27
Credit System	27
Debt	27
Debt Reorganization	28
Homes	54
Income	1
Labor	55
Machinery	53
Market Roads	55
Ownership	1, 33
Programs	2-4, 6, 8, 9, 10, 15, 16
Farmers Union	68-72
Cooperatives	31
County Organizations	32, 70
Insurances	69, 71
Locals	70, 71
Federal	
Ag Policy	9
Budgets	51, 52
Financing Bank	50
Grain Inspection	13
Indemnity Fund	14
Reserve Board	52
Taxes	51, 52
Fertilizer	7, 45, 57
Fiscal Policy	51
Fish and Wildlife Service	43
Flag Etiquette	67
Flat Tax	53
Flood Control	42
Food	
International Policy	4, 16-20
Labeling	15, 16
Prices	2
Reserve Release Price	5
Reserves	19
Stamps	67
Taxes	53
World Food Day	67
Foreign	
Aid	67
Ownership	33
Policy	67
Foundation Aid (Education)	61
Freedoms	59
Freight Rates	56, 57
FSA (Farm Service Agency)	9, 26, 38
Futures	13
Gambling	66
Garrison Diversion	42
Gasoline Tax	55
Global Warming	46
GMO (Genetically Modified Organism)	8, 14, 15
Governor	9, 59, 62
Grain	
Grading/Inspection	13
Transportation	55
Grasshoppers	9
Grazing Rates	21
Ground Water Surveys	36
Grow North Dakota	28
Harmonization (of Farm Chemicals)	17
Health	18, 19, 22, 23, 24, 46, 62, 63
Hemp	9
High School	64
Highways	36
HMOs	64
Home Health Care	63
Homestead Economic Opportunity Act	29
Hospices	64
Hospitals	63, 64
Human Rights	67
Humane Treatment	21
Hunting	36, 37, 43, 44
Hydroelectric Power	42, 47
Imports	4, 17, 19
Income Taxes	41
Industrial Commission	28, 43, 44
Insurance	
Auto	58
Commissioner	63
Commodity Storage	12
Crop	3, 7, 8
Education	69
Farmers Union	69, 71
No-Fault Auto Insurance	58
Health	53, 63, 64
Liability	24, 58
Insects	9
Integration (Vertical and Horizontal)	7, 14

Interest.....	26, 28, 32, 50, 52, 62	Mississippi Transportation.....	57
International		Missouri River.....	41
Federation of Agricultural Producers.....	72	Mitigation, Wildlife.....	42
Interstate Banking.....	52	Moisture Test.....	13
Irrigation.....	40, 47	Monetary Policy.....	52
Joint Ventures.....	33	Multi-Peril Crop Insurance.....	6-8
Junior Youth.....	68	National Farmers Union.....	12, 33, 64, 68, 71, 72
Kyoto Protocol.....	46	Navigation.....	42, 47, 57
Labeling (See Also Food)		News Media.....	60
Country-of-Origin.....	15, 16	No-Mow.....	56
Commodity.....	15, 16	Nominating Committees.....	30
Low Fat.....	16	North American	
Nutrition.....	16	Free Trade Agreement (NAFTA).....	19
Labor.....	17, 53, 55, 68, 70	Marketing Board.....	17
Land.....	33-45	North Dakota	
Concentration.....	33	Department of Agriculture.....	9
Condemnation of.....	37	Heritage Foundation.....	67
Owners Rights.....	33, 34	Industrial Commission.....	28, 43, 44
Grant Colleges.....	12	Legislature.....	8, 9, 10, 14, 26, 35, 39, 40, 42, 43, 44, 48, 49, 52, 57, 58, 60, 62, 63
Ownership.....	33-35	Mill & Elevator.....	10
Taxation.....	53-55	State University.....	10, 12
Transfer.....	26, 37	Union Farmer.....	68, 69
Use.....	36, 37, 55	Water Commission.....	41
Landowners Sportsmen Council.....	36	Northern Crops Institute.....	12
Leafy Spurge.....	9	Noxious Weeds.....	8, 9, 36, 56
Limits		NRCS (Natural Resources Conservation Service).....	9, 38, 40
Liability.....	34	Nuclear.....	67
Load.....	57	Nursing Homes.....	63
Tax Loss Farming.....	53	Nutrition.....	16, 66
Term.....	59	Oil.....	44, 45, 56
Usury.....	52	Operating Loans.....	26
Water Permit.....	41, 42	Outreach Staff.....	69
Livestock.....	20-25	Patients Bill of Rights.....	62
Non-Traditional.....	10	Patents.....	15
Production Recommendations.....	21-24	Patronage	
Loan Program, Value-Added Cooperative.....	26	Cooperative.....	29, 31, 71
Loans		Small Business.....	28
Bank of North Dakota.....	10, 28, 32	Payments	
Beginning Farmer.....	26, 28, 69	Deficiency.....	39
Cooperative.....	32	Direct.....	3
FSA.....	26	Storage.....	5
Operating.....	26	Petition, Right of.....	59, 68
Restructuring.....	26	Politics.....	11, 59, 60, 71
Rural Electric & Telephone.....	50	Ports.....	57
Student.....	62	Postal Service.....	67
Lobbying.....	11, 72	Press, Freedom of.....	59
Local Farmers Union.....	68-70	Price Supports.....	17
Low-Income Programs.....	65	Pride of Dakota.....	10, 16
Managers, Cooperatives.....	30, 32, 68	Production Costs.....	3
Mandatory Price Reporting.....	21	Property	
Marketing		Abuse.....	67
Commodity.....	11, 12	Taxation.....	34, 44, 51, 54, 55, 61
Concentration.....	6	Protein Test.....	13
Development.....	10	Public	
National Agency.....	5	Assistance.....	63, 66
Meat.....	15, 21, 24, 66	Education.....	61
Packing.....	21	Health.....	18, 22, 62-64
Medicaid.....	63, 66	Land.....	8, 36
Medical Malpractice.....	59	Power.....	47
Medicare.....	63, 65, 66	Safety.....	18, 24
Member Education.....	68-70	Service Commission.....	50
Mergers		Radon Testing.....	64
Cooperative.....	33	Railroads.....	56, 57
Mental Health.....	62	Rangeland.....	39
Meeting Notices.....	23, 68	Real Estate Taxes.....	54
Milk.....	20, 21, 66	Real Seal.....	16
Minerals.....	37, 38, 54, 56	Reclamation	
Minimum Wages.....	16, 55	Law of 1902.....	42
Mining, Coal.....	45	Strip Mining.....	44

Recycling .....	45	Corporate.....	52
Refineries .....	47	Gasoline .....	55
Religion, Freedom of.....	59	Highway.....	55
Renewable Energy Reserves.....	47	Incentives for Beginning Farmers.....	53
Research		Income.....	54
Agricultural.....	9, 10, 12	In-lieu-of.....	34, 44
Crop Disease.....	10, 12	Loss Farming.....	53
Energy.....	46-51	Mineral.....	37
Reclamation.....	44	Oil.....	44
Reserves		Property.....	54, 55
Food.....	19	Sales.....	53
Petroleum.....	47	Severance.....	45
Renewable Energy.....	47	Utility.....	50
Strategic Petroleum.....	47	Value-Added.....	53
Retail Wheeling.....	50	Telephones.....	50, 57, 58
Roads.....	36, 54-57	Term Limits.....	59
Rochdale Principles.....	30, 68	Territorial Integrity Act.....	50
Royalties.....	12, 15	Tobacco.....	64
Rural		Townships.....	23, 36, 54, 55
Development.....	25, 28	Trade.....	4, 5, 10-20
Electric Cooperatives.....	50	Trade Promotion Authority System.....	17
Health.....	62	Trains.....	56, 57
Roads.....	55	Transmission Lines.....	47, 51
Schools.....	60, 61	Transportation.....	55-57
Telephone Cooperatives.....	50, 58	School.....	58, 61
Water Systems.....	41	Truck.....	57
RUS (Rural Utility Service).....	32, 50	Water.....	57
Safe Send Program.....	46	Trees.....	40
Saint Lawrence Seaway.....	57	Trespassing.....	36, 67
Sales Tax.....	53	Union Farmer.....	68, 69
Sanitation.....	19	United Nations.....	12, 67
Scab.....	10	Universities.....	62
Scholarships.....	70	USDA (See also Department of Agriculture)	
School Lunches.....	66	Committees.....	8
Secretary of Agriculture.....	3, 4, 15	Reorganization.....	7
Senior		Usury Laws.....	52
Citizens.....	65	Utility Taxes.....	50
Community Service Projects.....	65	Value-Added Cooperatives.....	6, 24, 26, 30, 32
Youth.....	68	Value-Added Taxes.....	53
Severance Tax, Coal.....	45	Vandalism.....	67
Severed Minerals.....	36	Vocational Education.....	59
Smoking.....	64	Wage, Minimum.....	16, 55
SMV (Slow Moving Vehicle).....	55	Waste Sites.....	36
Social Issues.....	59-67	Waste Transportation & Disposal.....	44
Social Security.....	65	Water	
Soil Conditions.....	38	Commission.....	41
Soil Conservation.....	40, 42	Development Projects.....	41
Soil Surveys.....	36	Hydroelectric Sites.....	42
Speech, Freedom of.....	59	Management.....	40
Staggers Act.....	56	Permits.....	40
State Industrial Commission.....	28, 43, 44	Rural Systems.....	41
Storage		Surveys.....	36
Commodity.....	5	Transportation.....	42, 57
Strategic Petroleum Reserves.....	47	Use Priorities.....	42
Strip Mining.....	44	Weapons.....	67
Subsidies.....	8, 17-20, 29	Weeds.....	7-9, 36, 56
Sugar.....	5	Welfare.....	18, 21, 52, 57
Surface Owner.....	37	Wetlands.....	38, 40, 41, 43
Sustainable Agriculture.....	6, 8	Wilderness Designation.....	40
Sustainable Systems.....	8	Wildlife.....	42-44
Swampbuster.....	38, 40	Wind Energy.....	48
Taft-Hartley Act.....	55	Work Incentive Programs.....	66
Targeting.....	3	Work Force Safety and Insurance.....	55, 59
Tariffs.....	19	World Food Day.....	67
Taxes.....	51-59	Young Couple Seminars.....	69
Ability to Pay.....	51	Young Producer Meetings.....	69
Airport Authority.....	57	Youth Activities.....	68
Capital Gains.....	53	Zoning.....	23, 36, 42, 48
Coal.....	44		