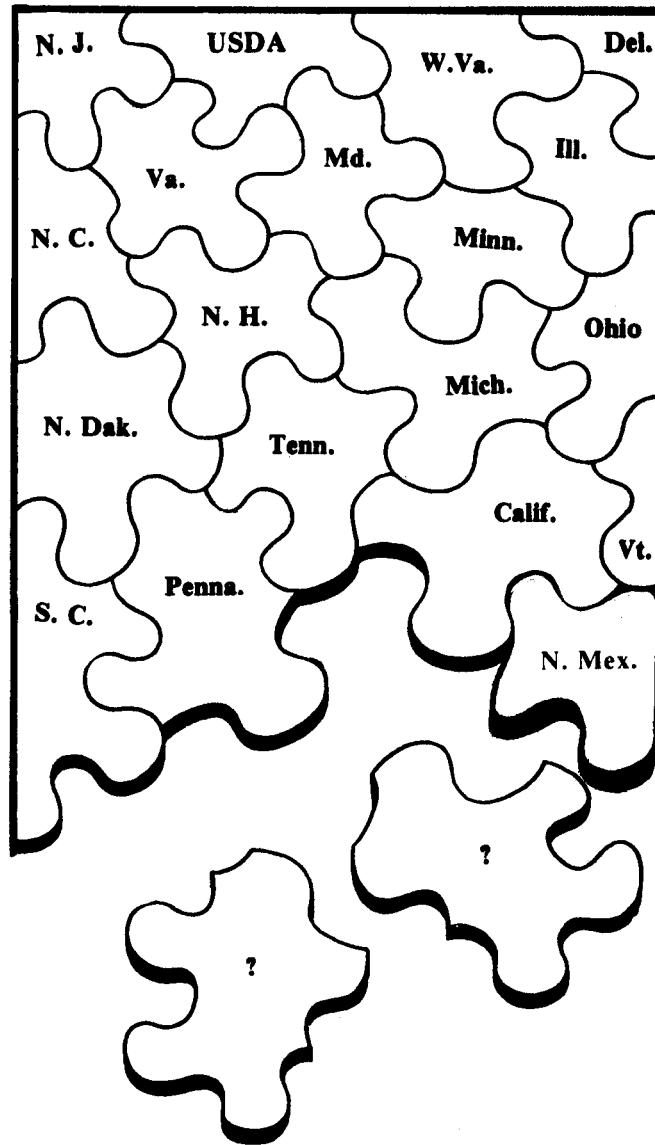


Interstate Pest Control Compact



James A. Graham, Chairman
North Carolina Department of Agriculture
P. O. Box 27647
Raleigh, NC 27661
(919) 733-7125

James B. Grant, Executive Director
National Association of State
Departments of Agriculture
1616 H Street, N.W.
Washington, DC 20006
(202) 628-1566

INTRODUCTION

Every year, plant pests do approximately \$10 billion in damage to the country's agricultural and forest crops and products. These losses occur despite the expenditure for control measures of nearly \$3 billion annually by local, State and Federal governments, by farmers, private timber industries and other owners of private property.

However with rare and temporary exceptions, existing technology and research capabilities are adequate to provide the means for effective control, suppression or eradication of pests. A major reason why this know-how is not always effective in curtailing staggering losses is that pests are not localized in their activities. They move about all too easily, either under their power or by "hitchhiking" on air, sea and land vehicles, in cargoes and even among the personal affects of travelers. Consequently, the timely and coordinated efforts of many jurisdictions are necessary for effective pest control action. To date, such action too often has been limited because of the inability to achieve a fully coordinated effort. Available Federal resources are not always expended, often because of the inability of State and local governments to match them in terms of finance and manpower. The Pest Control Compact serves to remedy this deficiency.

If an individual State undertakes necessary pest control activities on its own or with Federal assistance, it cannot be certain that companion measures will be taken in other States. There may be scepticism as to how much benefit will result from unilateral effort. The value of a State's pest control activities to other States can be a subsidiary consideration at best, even if the cost is only a fraction of the total savings realized in all affected States.

Each State has an interest in being protected against infestations originating in other States, but such protection requires mutuality of arrangements. The Compact serves to accomplish this mutuality by applying the insurance principle to the pest control field. A Pest Control Insurance Fund has been established. It consists of appropriations made by the member States. Each State appropriation can be likened to a premium with which the State purchases insurance against infestation from other States.

FUNDING

The basis for determining the amount of funds to be appropriated from each of the party States is as follows: 1/10th of the total budget (\$1 million) in equal shares, and the remainder in proportion to the value of agricultural and

forest crops and products excluding animals and animal products produced in each party State. This is not an annual appropriation, but has been a one-time contribution to the Insurance Fund. It is conceivable that, if Compact funds were appreciably depleted in carrying out a containment or eradication program, a State could be assessed its proportionate share to bring Compact funds back to the \$1 million Insurance Fund level. However with the investments return, this does not appear likely.

A provision has also been made by the Governing Board that a State coming into the Compact can extend the payments of its contribution to the Insurance Fund over a period of five years.

HOW THE FUND OPERATES

The Compact provides that any party State can apply to the Insurance Fund for financial support of pest control or eradication activities which it wishes to have undertaken or intensified in one or more other party States or, in limited circumstances, in nonparty States. When a pest is found in another State that constitutes a threat to valuable agricultural or forest crops or products within the applying State, the Insurance Fund can provide financial support for control or eradication measures. State parties to the Compact are expected to maintain their existing pest control programs at normal levels aside from any assistance from the Insurance Fund. This safeguards the soundness of the Fund and makes sure that it will be used to supply the additional thrust necessary to combat outbreaks which would not otherwise be controlled.

The Insurance Fund is under the control of a Governing Board consisting of an official representative of each party State chosen by that State in accordance with its own laws. A five-man Executive Committee is authorized to exercise certain responsibilities for the Governing Board when the Board itself does not meet. The Executive Committee is selected to afford geographic representation.

MEMBER STATES - 1981

California	North Carolina
Delaware	North Dakota
Illinois	Ohio
Maryland	Oregon
Michigan	Pennsylvania
Minnesota	South Carolina
New Hampshire	Tennessee
New Jersey	Vermont
New Mexico	Virginia
	West Virginia

OFFICERS

Governing Board - 1981

Chairman

Commr. James A. Graham
North Carolina

Vice Chairman

Dir. Richard E. Rominger
California

Secretary

Dr. Rollin M. Dennistoun
Minnesota

Treasurer

Dir. Larry A. Werries
Illinois

Executive Committee - 1981

Commr. James A. Graham
North Carolina

Dir. Richard E. Rominger
California

Dir. Larry A. Werries
Illinois

Dr. Rollin M. Dennistoun
Minnesota

Secty. Phillip Alampi
New Jersey

TECHNICAL ADVISORY COMMITTEE

Article VII of the Bylaws of the Interstate Pest Control Compact provides that, "The Governing Board may establish advisory and technical committees composed of State, local, and Federal officials and private persons to advise it with respect to any one or more of its functions."

A Technical Advisory Committee has been established to assist the Governing Board with the technical information necessary to make a decision on whether or not the Compact should be invoked on any particular request.

The Technical Advisory Committee is composed of two State plant control officials from each of the four regions of NASDA. The Committee members are selected by the Regional Plant Boards.

When a request is filed for invoking the Compact, the request is referred to the eight-member Technical Advisory Committee who make a study of the request and make a recommendation on the feasibility of the project to the Governing Board. In an emergency, the Committee could make this recommendation within 72 hours or less after receiving the initial request for Compact assistance. The members of the Interstate Pest Control Compact Technical Advisory Committee for 1981 are the following:

W. H. Matheny, Chairman
Virginia

Carl W. Nichols
California

Robert Flaskard
Minnesota

Alfred S. Elder
Virginia

William Kenneth Roach
Ohio

William H. Koesan
Oregon

Lyle B. Forer
Pennsylvania

Jimmy R. White
Tennessee

REQUESTS IN 1981 FOR IPCC FUNDS

Since the last annual meeting of the Compact in November, 1980, there has been one request to invoke the Compact, as well as approval of a request made in September, 1980.

1. In December, 1980, the California Department of Food and Agriculture requested that the Interstate Pest Control Compact be invoked to allow for the use of Compact funds in the State of Oregon, in the amount of \$2,000, to aid in their biological control efforts with a winter moth infestation near Portland.

The Technical Advisory Committee, after reviewing the request, recommended to the Executive Committee that \$2,000 be approved. Subsequently, the Executive Committee approved the \$2,000 expenditure in Oregon. However, payment was deferred until July, 1981 when Oregon commenced its program of introducing European winter moth parasites into the infested area.

2. In September, 1980 the California Department of Food and Agriculture requested that the Interstate Pest Control Compact be invoked to allow for the use of Compact funds in the State of Oregon, in the amount of \$20,000, to assist in an apple maggot survey.

The Technical Advisory Committee, after reviewing the request, recommended to the Executive Committee that \$20,000 be approved. Subsequently, the Executive Committee approved the \$20,000 expenditure in Oregon. However, payment was deferred until July, 1981 when Oregon commenced its apple maggot survey and trapping work in all apple- and pear-producing areas of the State.

EFFORTS TO RECRUIT NEW MEMBER STATES/
ADMISSION OF NEW MEXICO AND OREGON

Last year, Compact Chairman S. Mason Carbaugh sent a letter to all nonmember States outlining the advantages of the Compact and soliciting their membership and support. The letter generated considerable interest on the part of a number of States, including Alaska, Arizona, Georgia, Idaho, Louisiana, Maine, Nw Mexico, Oregon and Washington. Much of our recruitment program during the past year has focused on these potential candidates for membership.

Our efforts have already resulted in the admission of New Mexico and Oregon, which brings to 19 the number of States now in the Compact. Legislation authorizing New Mexico's participation was signed into law by Gov. Bruce King in March, 1981, and the State was duly admitted later that month. We salute Dr. William P. Stephens, Director of the New Mexico Department of Agriculture, for his leadership in bringing this about. Oregon received their authorizing legislation later this Summer and though all the paperwork is not complete, we welcome Oregon as a new member State. We are continuing follow-up with States that have indicated interest and hope to add several new member States in 1982.

We are continuing our efforts with the Council of State Governments and appreciate the fine support that we are getting from the Council in helping us publicize the Compact. We plan to continue to expand our efforts with State legislators.

Draft copies of the NASDA-PPQ memorandum of understanding have been circulated to the States by Mr. Al Elder on Commissioner Graham's staff for comments and suggestions. We hope to have a memorandum of understanding that the Compact can sign with USDA/APHIS later this Fall.

COMPACT MEETINGS

The Compact met on February 24, 1981 in Chicago, Illinois and on March 17, 1981 in Washington, DC.

Six States were represented at the Chicago meeting which included a discussion of the Maryland project involving the white fringed beetle, and the Oregon projects concerning the apple maggot and winter moth infestations. Other highlights included: a briefing by Compact Executive Director James B. Grant on contacts with the Council of State Governments; a briefing by William Helms (USDA/APHIS/PPQ) on the status of the proposed "Memorandum of Understanding" between APHIS and the Compact; and the appointment of a committee to pursue a regional strategy for recruitment of new member States. The

committee consists of Dir. Richard Rominger (CA), Commr. James Graham (NC), Dr. Rollin Dennistoun (MN), and Dir. Larry Werries (IL).

The Washington meeting, conducted in conjunction with the NASDA Mid-Year Conference, was attended by representatives of 13 Compact States. Director Larry Werries (IL) was unanimously elected to replace USDA Secretary John Block as Treasurer of the Compact. Discussion focused on the draft cooperative agreement between the Compact and APHIS, and the draft "Memorandum of Understanding" between the Compact and APHIS.

Although there has been minimum activity of the Compact in 1981, the importance of the Insurance Fund has become more obvious this year. The strength of the Compact is in numbers, and we will continue to work with nonmember States in an effort to bring them into the Compact.

The Washington staff has enjoyed working this year with the members of the Compact, and we feel that some progress has been made in furthering Compact business.

PEST CONTROL COMPACT INSURANCE FUND

Balance Sheet

June 30, 1981

ASSETS

Cash

Claims Account	\$22,950.74	
Operating Account	<u>896.20</u>	\$23,846.94

Investments

\$560,870.80

Accrued Interest

\$5,368.59

TOTAL ASSETS:

\$590,086.33

LIABILITIES

\$22,000.00

NET WORTH

\$568,086.33

TOTAL LIABILITIES & NET WORTH

\$590,086.33

PEST CONTROL COMPACT INSURANCE FUND

Statement of Investments Owned
June 30, 1981

Certificate of Deposit #52-184823 maturing July 20, 1981, at F&M Savings Bank @18.25%	\$355,870.80
Certificate of Deposit #8084 maturing July 11, 1981, at Moline National Bank @7.5% (now reinvested at 16.5%)	100,000.00
Certificate of Deposit #520552 maturing November 20, 1981, at Moline National Bank @15.275%	80,000.00
Certificate of Deposit #13362 maturing August 20, 1981, at Moline National Bank @15.010%	15,000.00
Certificate of Deposit #3115 maturing November 20, 1981, at Farmers Bank of Liberty @15.27%	10,000.00
TOTAL INVESTMENTS OWNED:	<u>\$560,870.80</u>

PEST CONTROL COMPACT INSURANCE FUND

Cash Claims Account
Statement of Transactions
July 1, 1980 to June 30, 1981

Balance, July 1, 1980		\$9,910.91
Interest Income	\$15,273.08	
Dues from New Mexico	\$5,300.00	
To Illinois for Claims	(\$3,000.00)	
To Moline Nat'l Bank for Investment	(\$2,804.92)	
To NASDA for Travel Expenses	(\$1,728.33)	
Balance, June 30, 1981		<u>\$22,950.74</u>
Payable to Oregon		\$22,000.00

PEST CONTROL COMPACT INSURANCE FUND

Cash Operating Account
Statement of Transactions
July 1, 1980 to June 30, 1981

Balance, July 1, 1980		\$851.81
Interest Income	\$6,940.89	
To NASDA per agreement	(\$4,800.00)	
To NASDA (travel 1981)	(\$1,780.66)	
To Minnesota Dept. of Agriculture for postage	(\$75.31)	
To Rodeway Inn (winter meeting)	(\$162.03)	
To Modern Printers (stationery)	(\$28.50)	
To Nydegger & Associates (bond)	(\$50.00)	
Balance, June 30, 1981		<u>\$896.20</u>

