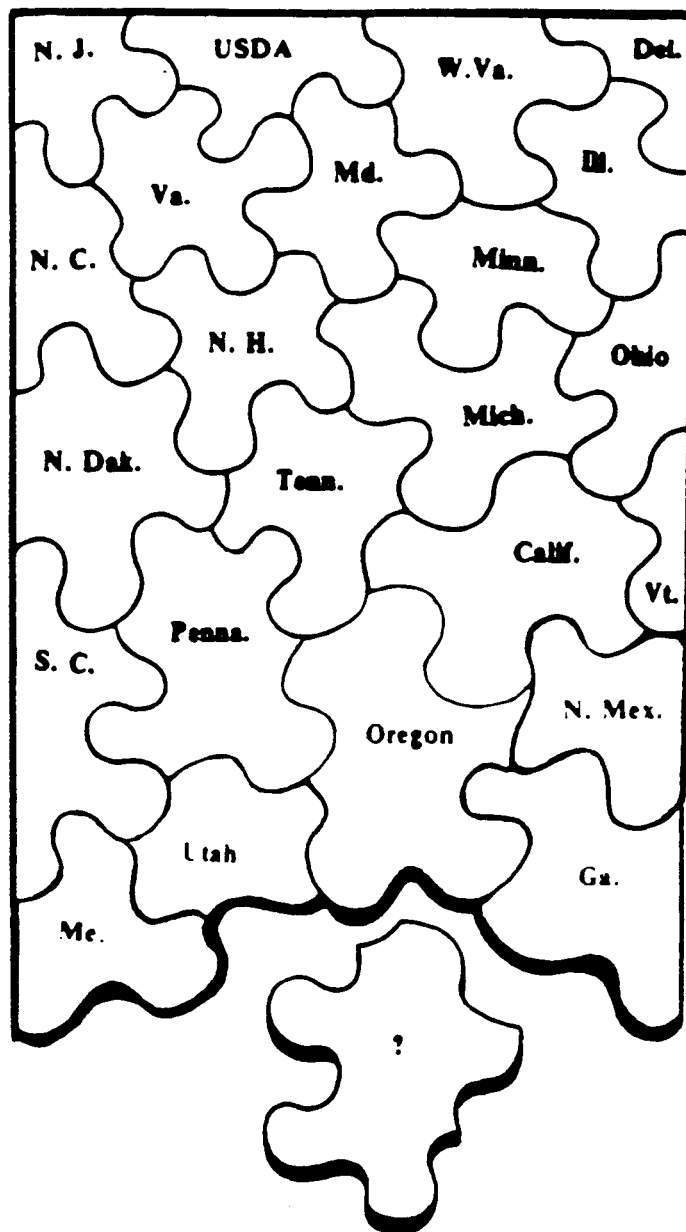


Annual Report
INTERSTATE PEST CONTROL COMPACT
1988



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

William B. Chandler, Jr., Secretary
Department of Agriculture
2320 S. Dupont Highway
Dover, DE 19011
(302) 736-4811

INTRODUCTION

Every year, plant pests do several billion dollars of damage to the nation's agricultural and forest crops and products. These losses occur despite the expenditure for control measures of an estimated \$8 billion annually by local, State and Federal governments, 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 often migrate from one location to another. 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 skepticism as to how much benefit will result from unilateral effort. The value of a State's pesticide 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.

The value of the Compact to individual States is underscored by recent trends in Federal plant pest control programs. There has been a significant decline in funding in recent years for Plant Pest and Quarantine programs of the U.S. Animal and Plant Health Inspection Service, and these reductions have forced APHIS to re-evaluate its role and recommend that many control and eradication efforts traditionally carried out at the Federal level be shifted to the States. Under these circumstances, the Compact will provide an increasingly valuable service to member 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 of \$1 million in equal shares (i.e. \$100,000), 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.

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 apply 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. An Executive Committee, consisting of the current year officers and past chairmen, is authorized to exercise certain responsibilities for the Governing Board when the Board itself does not meet.

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, selected by the Regional Plant Boards, together with a representative of the U.S. Animal and Plant Health Inspection Service and a representative of the U.S. Forest Service.

When a request is filed for invoking the Compact, the request is referred to the ten-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 1988 are the following:

Dr. Howard Singletary
North Carolina
(Southern)

Tom Kowalski
Georgia
(Southern)

Isi Siddiqui
California
(Western)

Roger Vaga
Idaho
(Western)

Stan Smith
Illinois
(Central)

John Dreves
Michigan
(Central)

Donald H. Kludy
Virginia
(Eastern)

William F. Gimpel
Maryland
(Eastern)

Richard R. Backus
USDA/APHIS

James Space
USDA/Forest Service

SUMMARY

In the 1987/88 Compact year, staff has devoted between 130 and 150 staff hours to Compact activities. This included meetings, travel to meetings, answering and initiating correspondence, working with potential member states, assisting in the development of materials, and other directly related activities. We will continue our extensive efforts in 1989.

We urge you, if not a member, to give serious consideration to joining. We will work with you in any way, including coming to your state at your request to meet with legislators and others to explain the Compact and its importance.

It has been a pleasure for me and my staff to work with you in 1988, and we look forward to an expanded program in 1989.

Officers 1987-88

Chairman, William Chandler (Delaware)
Vice Chairman, Tommy T. Irvin (Georgia)
Secretary, Rollin M. Dennistoun, Ph.D. (Minnesota)
(Retired)
Treasurer, Larry A. Werries (Illinois)

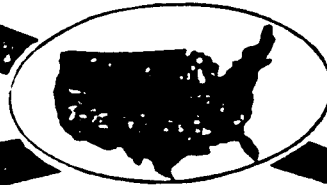
MEMBER STATES

	<u>State</u>	<u>Year Joined</u>
1.	West Virginia	1968
2.	Pennsylvania	1968
3.	Michigan	1968
4.	New Hampshire	1968
5.	Illinois	1968
6.	Tennessee	1969
7.	Minnesota	1969
8.	Delaware	1969
9.	California	1969
10.	New Jersey	1970
11.	South Carolina	1972
12.	North Dakota	1973
13.	Virginia	1974
14.	Ohio	1974
15.	North Carolina	1975
16.	Maryland	1976
17.	Vermont	1978
18.	New Mexico	1981
19.	Oregon	1981

- | | | |
|-----|---------|------|
| 20. | Georgia | 1984 |
| 21. | Utah | 1985 |
| 22. | Maine | 1986 |

APPENDIX A

Interstate Pest Control Compact



EXECUTIVE DIRECTOR

Washington NASDA Office

James B. Grant
Executive Secretary

Robert Amato
Asst. Exec. Secretary

1616 H Street N.W.
Washington, D.C. 20006
(202) 628-1566

REPLY TO:

Minutes of the Interstate Pest Control Compact Meeting

Stouffer-Waverly Hotel

Atlanta, Georgia

Sunday, October 4, 1987

OFFICERS

Chairman
William B. Chandler, Jr.
Delaware
(302) 736-4811

Vice Chairman
Thomas T. Irvin
Georgia
(404) 556-3600

Secretary
Rollin M. Dennistoun, Ph.D.
Minnesota
(612) 296-2880

Treasurer
Larry A. Wernies
Illinois
(217) 782-2172

EXECUTIVE COMMITTEE

Illinois
Delaware
Minnesota
Georgia
Oregon

Chairman William Chandler (Delaware) convened the meeting at 4:05 p.m. with the following in attendance:

Member States

Chandler, William	Delaware
Conley, Ron	Georgia
King, Ron	Illinois
Davidson, Dick	Illinois
Schmidt, Henry	Maryland
Duffy, James Jr.	Maryland
Casey, Pat	Michigan
Cardwell, Burton	Michigan
Dennistoun, Rollin	Minnesota
Shaw, Bernard	Maine
Metterhouse, William	New Jersey
Patterson, Barry	New Mexico
Dickson, Lana	New Mexico
Graham, Jim	North Carolina
Buchanan, Robert	Oregon
Wolff, Boyd	Pennsylvania
Kelly, Truluck	South Carolina
Clark, A.C.	Tennessee
Robinson, James	Tennessee
Ferry, Cap	Utah
Vaughan, Ray	Virginia
Douglass, Gus	West Virginia
Amato, Robert	NASDA
Puho, Harvey	USDA - Forest Service
Backus, Dick	USDA - APHIS

GOVERNING BOARD — MEMBER STATES

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

Others States

Pace, William
Craig, Jack
Rolston, Don

Florida
Oklahoma
Wyoming

Other Guests

Rolofson, George

CIBA Geigy--

Item: Approval of Agenda.

Motion: To approve the agenda as presented made by Conley (Georgia); seconded by Douglas (West Virginia). Motion passed.

Item: Minutes of Meeting at Chicago, Illinois on 9-14-86. Minutes of this meeting were mailed to all member states. A copy of the minutes are contained in the Annual Report - "Interstate Pest Control Compact 1987" as prepared by Executive Secretary James B. Grant.

Motion: To approve the minutes as presented made by Douglass (West Virginia); seconded by Conley (Georgia). Motion passed.

Item: Treasurer's Report. Ron King (Illinois) presented the Treasurer's Report for 1987. A copy of this report and the Financial Statement are contained in the Annual Report - Interstate Pest Control Compact 1987.

Motion: To receive the Treasurer's Report and Financial Statement made by Wolff (Pennsylvania); seconded by Stephens (New Mexico). Motion passed.

Item: Chairman's Report. Chairman Chandler, Delaware commented briefly on his work with the Compact during the past year and expressed appreciation for their attendance. This is the largest attendance that any Compact meeting has had in the last 12-15 years.

Item: Report of the Executive Director. Assistant Executive Secretary Bob Amato presented the "Annual Report of the Interstate Pest Control Compact 1987" for James B. Grant. He referenced the items already referred to and urged everyone to review the other information contained in the Report.

Motion: To receive the Executive Director's Report and place it on file by Stephens (New Mexico); seconded by Conley (Georgia). Motion passed.

Item: Unfinished Business. Douglass (West Virginia) raised a question regarding the consolidation of Compact funds in an effort to obtain higher interest rates and whether or not the investment could be made through the State in an effort to receive higher interest rates. King (Illinois) said that he would look into this as a possibility.

Item: Approval of Budget. The proposed budget for F.Y. 1987-88 was presented. It, too, is found in the Annual Report. The question was raised as to why the travel expense item did not show any expense for several years. The answer being that the Executive Secretary had not

submitted the expense account in time to be included in the year budgeted. Douglass (West Virginia) asked that it be a part of the minutes of the meeting that the Executive Secretary be strongly urged to submit his expense items more than once a year and that they be in on time so that they could be paid in the fiscal year budgeted for.

Motion: To approve budget as presented made by Vaughn (Virginia); seconded by Douglass (West Virginia). Motion passed.

Item: Election of Officers.

Motion: That the present officers be nominated for 1987-88 made by Douglass (West Virginia); seconded by Vaughn (Virginia).

Motion: That nominations cease and the Chairman cast a unanimous ballot for those individuals made by Douglass (West Virginia). Seconded by Shaw (Maine). Motion passed. The new officers for 1987-88 are:

Chairman Chandler Delaware
Vice Chairman Irvin Georgia
Secretary Dennistoun Minnesota
Treasurer Werries Illinois

There being no further business, the meeting was adjourned at 4:35 p.m. by Chairman William Chandler, Delaware.

Respectfully submitted,



Rollin M. Dennistoun, Ph.D.
Secretary

NOTE: All states will receive a copy of the budget, the updated officer list along with a copy of the minutes of this meeting. Also, all member states not in attendance will receive a copy of the Annual Report for 1987.

If upon receipt of this information, there are any questions, please feel free to contact us.

INTERSTATE PEST CONTROL COMPACT

GOVERNING BOARD

October, 1987

DATE OF ELECTION & TERM OF OFFICE	CHAIRMAN	VICE CHAIRMAN	SECRETARY	TREASURER
1968 ¹ 1968-69	California Lyng	Michigan Ball	Illinois Larkin	Illinois
Feb. 1969 1969-70	Michigan Ball	New Hampshire Buckley	California Fielder	Illinois Lewis
March 1970 1970-71	New Hampshire Buckley	Tennessee Moss	California Fielder	Illinois Lewis
March 1971 1971-72	W. Virginia Douglass	Delaware Caulk	California Fielder	Illinois Ropp
Jan. 1972 1972	Delaware Caulk	California Fielder	Minnesota Dennistoun	Illinois Ropp
November 1972 1972-73	California Christensen	New Jersey Alampi	Minnesota Dennistoun	Illinois Ropp
Sept. 1973 1973-74	New Jersey Alampi	Ohio Abercrombie	Minnesota Dennistoun	Illinois Williams
Sept. 1974 1974-75	Ohio Abercrombie	South Carolina Harrelson	Minnesota Dennistoun	Illinois Williams
Oct. 1975 1975-76	South Carolina Harrelson	Ohio Stackhouse	Minnesota Dennistoun	Illinois Williams
Nov. 1976 1976-77	Ohio Stackhouse	Virginia Carbaugh	Minnesota Dennistoun	Illinois Block
Sept. 1977 1977-78	Virginia Carbaugh	North Carolina Graham	Minnesota Dennistoun	Illinois Block
Sept. 1978 1978-79	Virginia Carbaugh	North Carolina Graham	Minnesota Dennistoun	Illinois Block
Sept. 1979 1979-80	Virginia Carbaugh	North Carolina Graham	Minnesota Dennistoun	Illinois Block
Nov. 1980 1980-81	North Carolina Graham	California Rominger	Minnesota Dennistoun	Illinois Block
Sept. 1981 1981-82	California Rominger	Vermont Dunsmore	Minnesota Dennistoun	Illinois Werries
Sept. 1982 1982-83	Vermont Dunsmore	Michigan Pridgeon	Minnesota Dennistoun	Illinois Werries
Sept. 1983 1983-84	Tennessee Walker	Ohio Locker	Minnesota Dennistoun	Illinois Werries
Sept. 1984 1984-85	Ohio Locker	California Berryhill	Minnesota Dennistoun	Illinois Werries
Oct. 1985 1985-86	Oregon Kunzman	Delaware Chandler	Minnesota Dennistoun	Illinois Werries
Sept. 1986 1986-87	Delaware Chandler	Georgia Irvin	Minnesota Dennistoun	Illinois Werries
Oct. 1987 1987-88	Delaware Chandler	Georgia Irvin	Minnesota Dennistoun	Illinois Werries

¹First meeting of the Compact was January 1969. Records indicate that officers had been elected or selected prior to this meeting, as meeting was chaired by Lyng of California.

OPERATING BUDGET
FOR
INTERSTATE PEST CONTROL COMPACT
7-1-87 TO 6-30-88

	BUDGET 1985-86	ACTUAL EXPENSES 1985-86	BUDGET 1986-87	ACTUAL EXPENSES 1986-87	BUDGET 1987-88	ACTUAL EXPENSES 1987-88	PROPOSED BUDGET 1988-89
NASDA CONTRACTS							
ADMINISTRATION	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
TRAVEL & OTHER EXPENSES	3,000.00	0.00	3,000.00	0.00	3,000.00	3,331.78	3,000.00
PRINTING	500.00	434.50	600.00	0.00	600.00	0.00	600.00
BOND-TREASURER	50.00	50.00	50.00	50.00	50.00	50.00	50.00
AUDIT	150.00	0.00	150.00	0.00	150.00	0.00	150.00
POSTAGE & SUPPLIES							
SECRETARY'S OFFICE	150.00	0.00	150.00	68.50	150.00	39.50	150.00
MISCELLANEOUS	0.00	1.95	0.00	0.00	0.00	1.74	0.00
TECHNICAL COMMITTEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPECIAL COMMITTEE	400.00	319.41	500.00	0.00	500.00	0.00	500.00
TOTALS	\$ 14,250.00	\$ 10,805.86	\$ 14,450.00	\$ 10,118.50	\$ 14,450.00	\$ 13,423.02	\$ 14,450.00

INTERSTATE PEST CONTROL COMPACT

MEMBER STATES

<u>State</u>	<u>Year Joined</u>
West Virginia	1968
Pennsylvania	1968
Michigan	1968
New Hampshire	1968
Illinois	1968
Tennessee	1969
Minnesota	1969
Delaware	1969
California	1969
New Jersey	1970
South Carolina	1972
North Dakota	1973
Virginia	1974
Ohio	1974
North Carolina	1975
Maryland	1976
Vermont	1978
New Mexico	1981
Oregon	1981
Georgia	1984
Utah	1985
Maine	1986

The states of Washington and Wisconsin have enacted legislation to come into the Compact when all states contiguous to their borders become members.

APPENDIX B

PEST CONTROL COMPACT INSURANCE FUND

FINANCIAL STATEMENT

June 30, 1988

PEST CONTROL COMPACT INSURANCE FUND

Balance Sheet

June 30, 1988

ASSETS

Cash

Operating Account \$66,808.38

Investments \$761,566.17

Accrued Interest \$9,836.02

TOTAL ASSETS: \$838,210.57

LIABILITIES -0-

NET WORTH \$838,210.57

TOTAL LIABILITIES & NET WORTH: \$838,210.57

PEST CONTROL COMPACT INSURANCE FUND

Summary of Income and Expenses

July 1, 1987 to June 30, 1988

Balance July 1, 1987:	\$793,183.77
Interest Income:	\$48,613.80
Operating Expenses:	(\$13,423.02)
Balance June 30, 1988:	\$828,374.55

PEST CONTROL COMPACT INSURANCE FUND

Cash Operating Account

July 1, 1987 to June 30, 1988

Balance July 1, 1987:		\$53,072.54
Interest Income	\$27,158.86	
Nydegger & Associates (bond)	(\$50.00)	
Modern Printers (letterheads)	(\$39.50)	
NASDA (agreement)	(\$10,000.00)	
Illinois National Bank (service charges)	(\$1.74)	
NASDA (FY86 & FY87 travel, per agreement)	(\$3,331.78)	
Balance June 30, 1988:		\$66,808.38

PEST CONTROL COMPACT INSURANCE FUND

State of Investments Owned

June 30, 1988

<u>Bank</u>	<u>Certificate Number</u>	<u>Length of Investment</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Amount</u>
Illinois National	9003689	92 days	7/18/88	6.1%	\$374,093.95
First Midwest	528062	182 days	8/27/88	6.0%	\$100,000.00
First Midwest	520552	182 days	11/11/88	6.125%	\$80,000.00
First Midwest	521517	182 days	8/11/88	6.0%	\$15,000.00
Marquette Nat'l	3-0465-3	91 days	9/12/88	7.5%	\$142,538.42
Farmers Bank	3676	182 days	11/16/88	6.0%	\$10,000.00
American State	806-10158	182 days	7/10/88	6.25%	\$17,959.75
American State	806-10098	183 days	11/15/88	6.5%	\$21,974.05
TOTAL INVESTMENTS OWNED:					<u>\$761,566.17</u>