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File

INTERSTATE PEST CONTROL COMPACT MEETING  
Vista Hotel, Washington, D.C.  
Monday, March 1, 1993

Minutes

CALL TO ORDER: Meeting was convened at 4:30 P.M. by Burton D. Cardwell, Secretary acting on behalf of Chairman, D. Leslie Tindal who was unable to attend the meeting.

ROLL CALL: Acting Chairman Cardwell called the roll of states. Ten states were represented as follows:

Delaware	Ohio
Georgia	Pennsylvania
Illinois	South Carolina
Maine	Virginia
Michigan	West Virginia

Member states absent:

California	North Carolina
Maryland	North Dakota
Minnesota	Oregon
New Hampshire	Tennessee
New Jersey	Utah
New Mexico	Vermont

APPROVAL OF MINUTES

A motion was made and approved to accept the minutes of the September 27, 1992 IPCC meeting in Indianapolis, Indiana. During the discussion a motion was made to make a correction in the minutes as follows: First paragraph reading "Mr. Wolff commented that while technically bees are not insects," changed to read, "Mr. Wolff commented that while technically bees are not plant pests." A motion was made and approved for the change.

Minutes of September 27, 1992 were, therefore, approved.

TREASURER'S REPORT:

Chet Boruff from Illinois gave Becky Doyle's Treasurer's report. The report and financial statement is found in Attachment (1). During the discussion of the Treasurer's Report

Commissioner

Tommy Irvin suggested that monies be invested in

secondary government paper since it yields a higher rate of interest. A motion was made and approved that all investments of more than four years, with the exception of \$100,000, be invested in secondary government paper.

A motion was made to approve the Treasurer's report.

ELECTIONS:

There being no Vice Chairman or Executive Committee the floor was open for the nomination of a Vice Chairman. Gus R. Douglass, Commissioner, West Virginia Dept of Agriculture was nominated to serve as Vice Chairman. Nominations were closed with the motion and approval that Gus Douglass serve as Vice Chairman.

Following a discussion of Executive Committee Membership a motion was made and approved that the Chairman, D. Leslie Tindal appoint four members to the Executive Committee, one from each of the four regions.

EXECUTIVE  
DIRECTORS  
REPORT:

Mr. William Metterhouse, the new Executive Director of the IPCC, gave his report as found in attachment (2).

UNFINISHED  
BUSINESS

The revitalization of the IPCC was discussed with the note that the committee's work was successful and complete. The Pennsylvania Department of Agriculture was recognized for their leadership in the conduct of Revitalization Committee. One of the products was a new IPCC brochure which was handed out and is included in this report as attachment (3).

NEW BUS:

Mr. Metterhouse raised the question as to when in the draw down of IPCC monies would there be an additional state assessment. Gus Douglass stated that this item was discussed at previous meetings. He recalled that an assessment might be considered when the fund reached \$500,000. It was recommended that Mr. Metterhouse give this further consideration and make a recommendation at the next meeting.

ADJOURN:

At 5:30 P.M. a motion was made and approved that the meeting be adjourned.

William W. Mettehouse  
Executive Director IPCC



State of Illinois

# DEPARTMENT OF AGRICULTURE

Office of the Director

State Fairgrounds, P.O. Box 19281, Springfield, IL 62794-9281, 217/782-2172

TO: IPPC Board of Directors

FROM: Becky Doyle, Treasurer

DATE: February 28, 1993

SUBJECT: Progress Report on Investment Alternatives

Since the September, 1992 meeting in Indianapolis, the following actions have been taken to implement the recommendation to pursue alternative investments for the IPPC funds:

1. As CD's have matured, proceeds have been consolidated into the Flex-Invest Fund held at the First of America Bank in Springfield, Illinois. This fund now contains approximately 72% of the assets. (\$726,000) The remaining 28% remains in CD's with various maturity dates which run through August of 1993.

2. Various insurance and investment companies have been contacted for information on rates available. Personnel responsible for investments in the Illinois Treasurer's Office have been asked for suggestions. The most important consideration must remain as it has in the past, preservation of principal.

3. A list of options will be reviewed within the next few weeks, with decisions planned within one month. Rates have dropped even lower since the September meeting. Risking tens of thousands of dollars in principal for a few thousand dollars in additional interest may not be advisable at this time.

Specific suggestions and recommendations from the Board, or from individual board members would be welcome at this time.

PEST CONTROL COMPACT INSURANCE FUND

FINANCIAL STATEMENT

February 28, 1993

PEST CONTROL COMPACT INSURANCE FUND

Balance Sheet

February 28, 1993

ASSETS

CASH

Operating Account \$10,500.00

Investments \$985,980.39

Accrued Interest \$1,264.97

TOTAL ASSETS: \$997,745.36

LIABILITIES \$0.00

NET WORTH \$997,745.36

TOTAL LIABILITIES &  
NET WORTH: \$997,745.36

PEST CONTROL COMPACT INSURANCE FUND

Summary of Income and Expenses

July 1, 1992 to February 28, 1993

Balance July 1, 1992:	\$1,022,160.53
Interest Income	\$20,943.97
Operating Expenses	(\$1,624.11)
Claim - <i>Texas</i>	(\$45,000.00)
Balance February 28, 1993:	<u>\$996,480.39</u>

PEST CONTROL COMPACT INSURANCE FUND

Cash Operating Account

July 1, 1992 to February 28, 1993

Balance July 1, 1992:		\$10,500.00
Interest Income	\$6,529.29	
Treasurer' Bond	(\$100.00)	
Transfer in from investments	\$46,622.67	
Texas A & M Univ (Africanized Honeybee)	(\$45,000.00)	
First of America (SERVICE CHARGES)	(\$1.44)	
South Carolina (travel)	(\$533.27)	
William Metterhouse (EXPENSES)	(\$989.40)	
Transfer out to investments	(\$6,527.85)	
Balance February 28, 1993:		<u>\$10,500.00</u>

PEST CONTROL COMPACT INSURANCE FUND

Statement of Investments Owned

February 28, 1993

Bank	Account Number	Length of Investment	Maturity Date	Interest Rate (%)	Amount
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First of America	60000066	daily	n/a	2.73	\$725,811.48
First Midwest	528062	182 days	8/22/93	3.50	\$100,000.00
First Midwest	520552	182 days	5/7/93	3.35	\$80,000.00
First Midwest	521517	182 days	8/5/93	3.25	\$15,000.00
Farmers Bank	3676	182 days	5/12/93	3.40	\$10,000.00
Illini Bank	100010158	182 days	7/5/93	3.50	\$25,352.62
Illini Bank	100010098	182 days	5/10/93	3.50	\$29,816.29
					-----
					TOTAL INVESTMENTS OWNED:
					\$985,980.39
					-----

William Metterhouse  
Executive Director IPCC  
Report  
March 1, 1933

I- Examined the storage of files and records in the NASDA office. Although few records were maintained in the NASDA office an effort will be made to secure records from other states. A complete record of business conducted by the IPCC should be stored in the NASDA office for both legal and historical purposes.

II- Reviewed 1992 grant applications from Georgia and Texas. Contacted both states for final reports. Reports have now been successfully completed and will be on file in the NASDA office. These reports will also be included in the 1993 Annual IPCC Report.

III- Reviewed application for funding from the requesting State of Minnesota for gypsy moth funding for the State of Wisconsin. The first request was for \$100,000 to treat 100,000 acres. This request has now been revised to \$40,000 to treat 22,000 acres. The request is now under review by the Technical Committee.

IV- Worked on the recruitment of new states. I have attempted contact with 28 states that are not members of the IPCC. The results of these contacts have been most encouraging. A total of 19 states have indicated that they are willing to reconsider joining the Compact. The states are as follows:

Alabama	Montana
Alaska	Nebraska
Arizona	New York
Florida	Oklahoma
Hawaii	Puerto Rico
Idaho	Rhode Island
Indiana	South Dakota
Iowa	Texas
Kentucky	Wyoming
Missouri	

Only four states thus far, have indicated that there is no interest, at this time, primarily because of budgetary constraints. Those states are Arkansas, Colorado, Kansas and Nevada.

V- In the process of updating all IPCC literature. A new brochure has been completed resulting from the work of the Revitalization Committee. Slide series will be reviewed. A video tape is also being planned.

VI- Have been working with the USDA APHIS management team to determine issues of importance to the IPCC.

VII- Have planned to review our Memorandum of Understanding between the USDA APHIS and the IPCC.

VIII- Planning to seek gifts or donations from businesses. This is permissible under the by-laws of the IPCC.

# PLANT PEST INSURANCE

**In 1977**, the European strain of Sclerotinia canker, a serious disease of pine, spruce, and other evergreens, was discovered in Vermont in an area far removed from other infestations. Since the disease can spread quickly and there is no practical cure for widespread outbreaks, prompt action - made possible with Compact support - was essential. Infected trees were cut, burned, and buried, and subsequent surveys have indicated that the spot of infestation in Vermont was eradicated.

**In 1981**, the apple maggot was found in apples on a backyard tree in Portland, Oregon. Apple maggot was not previously known to occur in the West and could have a major impact on growers' pest control practices as well as interstate fruit marketing if it spread to commercial plantings. A quick but thorough survey, made possible with a Compact grant, has helped Oregon target its control program and keep the pest out of commercial fruit-growing areas.

**In 1983**, soil fumigation in a Michigan vineyard infested with a new grape nematode should result in eradication of another potentially serious pest. The infestation, discovered in Michigan in 1977 and officially described in 1981, had caused widespread concern in other grape-growing states and Canada. The vines in the infested 40-acre vineyard were destroyed, but administrative problems prevented use of funds for purchase of a fumigant to rid the soil of the nematode. The Compact stepped in to provide money for the chemical and help rid Michigan of a potentially disastrous pest.

**In 1992**, an infestation of gypsy moth in northwestern Georgia was treated. This isolated infestation represented a serious threat to North Carolina, Tennessee, Alabama, South Carolina and Florida. Decisive action prevented the premature establishment of this pest in the southeastern United States.

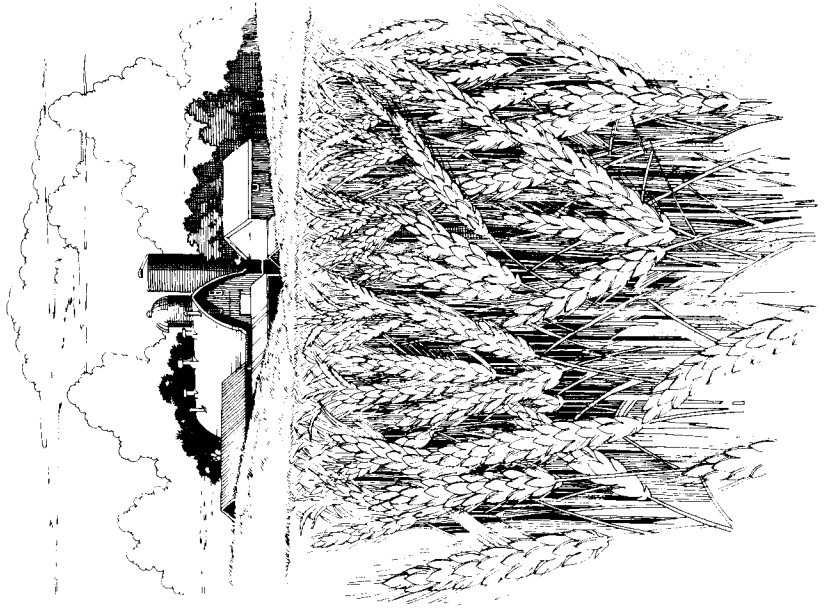
Compact funds have been used to support these additional pest operations:

- Golden nematode eradication - Delaware
- Tourist vehicle check for gypsy moth - Pennsylvania, Delaware, Virginia
- Gypsy moth attractant trial - North Carolina
- Gypsy moth control - Washington, Illinois
- Sclerotinia canker control - New Hampshire
- White fringed beetle control - Maryland
- Winter moth control - Oregon
- Corn cyst nematode survey/quarantine - Maryland

To obtain additional information about the Interstate Pest Control Compact contact the:

**Executive Director  
IPCC  
1156 15th St. N.W.  
Suite 1020  
Washington DC 20005  
Phone 202-296-9680**

# PLANT PEST INSURANCE



# PLANT PEST INSURANCE

## ■ Interstate Pest Control Compact - What is it?

More than \$30 billion damage a year is caused by plant pests - insects, weeds, plant diseases, and other organisms that attack U.S. crops and forest resources.

Many of the same pests also attack lawns, gardens, and the general environment, causing still more damage in dollars and esthetics.

These pests don't recognize political boundaries. They can easily move across state lines on the wind or in soil or water, or hitchhike to new areas with goods, vehicles, or people. Tremendous losses occur even though farmers, industry, and local, state, and federal governments spend some \$10 billion a year on control.

At one time, only coastal and border states had to fear infestations of new foreign plant pests, but today heartland states are also at risk. International containerized cargo with the potential for carrying foreign pests can travel through ports of entry and reach interior states before it can be opened and inspected.

Federal and state agencies have ongoing control and regulatory programs against a number of plant pests, and many have recently stepped up their pest detection and monitoring efforts. In most cases, however, appropriations are earmarked for specific pests - a mere handful of the 10,000-odd species that cause damage in this country.

In general, too, state funds may be spent only on in-state control, even though pests just across the border may be equal threats. If a single 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.

Often, too, the budget process does not allow governments to move quickly against newly introduced pests or take on challenges outside already approved program plans; a particular problem in times of decreasing resources.

Technology is available to control or eliminate many pests, but its effectiveness often depends on speedy action.

## ■ The Interstate Pest Control Compact - Why was it established?

The Interstate Pest Control Compact was instituted in 1968, under the Council of State Governments, to bridge economic and jurisdictional gaps among state and federal governments, to enable agencies to respond to plant pest infestations. The Compact - through the **Insurance Fund** it administers - provides financial assistance to address -

- new and economically significant destructive plant pest outbreaks;
- plant pest infestations outside the control or means of a single jurisdiction; or
- destructive single-state outbreaks which could affect other states if allowed to spread.

## ■ Operation of the Insurance Fund

Any member state can apply to the **Insurance Fund** for money to control or eradicate a pest in another state if the pest constitutes a threat to the member's crops or forests. The Board decides when funds should be expended, based in part on whether a pest is significant and an infestation is of workable size.

States party to the Compact pledge appropriations to an **Insurance Fund**, with levies computed on a two-tier system consisting of a flat rate plus a percentage of the value of state crops and forest products. Through the Fund, individual states can contribute to plant pest control, suppression, or eradication beyond their own borders providing insurance against infestation from another state. The Fund may also accept gifts, grants, and donations from public or private sources. State contributions are made on a one-time basis - unless or until Fund monies become depleted. They may be paid in installments, over a period as long as 6 years.

The **Insurance Fund** is under control of a Governing Board consisting of one representative from each member state. A five-member, geographically distributed Executive Committee is authorized to take some actions when the Board is not in session.

Party states are expected to maintain ongoing pest control at existing levels; Insurance Fund monies, when provided, are supplemental to regular in-state pest-control appropriations. This policy safeguards the soundness of the Fund and insures that it will be available when needed to help in emergencies.

States now a part of the Compact are working to make it a truly nationwide institution. A wider membership will make actions even more effective and increase the potential for creative action to protect crops and forests from pest damage.

## ■ A History of Accomplishments

The Insurance Fund has contributed to the prompt elimination of a number of plant pest problems.