



**Interstate Pest Control Compact and Pest Control Insurance Fund
Mid Year Meeting of the Governing Board
Sunday, February 22, 2009
The Renaissance Washington DC Hotel, Washington, DC
7:00 am to 9:00 am**

Attendees:

Member States Present (20):

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| Arizona | – Don Butler (IPCC Chair) |
| California | – A.G. Kawamura |
| Colorado | – John Stulp (IPCC Executive Committee) and Kelly Uhing (CDA staff) |
| Delaware | – Ed Kee |
| Florida | – Charles Bronson |
| Georgia | – Tommy Irvin (IPCC Treasurer) and Terry Coleman (GDA staff) |
| Indiana | – John Baugh (ISDA staff) |
| Maryland | – Mary Ellen Setting (MDA staff) |
| Michigan | – Brad Deacon (MDA staff) |
| Nebraska | – Ginger Langemeier (NDA staff) |
| New Jersey | – Al Murray and Carl Schulze (NJDA staff) |
| New York | – Patrick Hooker |
| North Carolina | – Richard Reich (NCDACS staff) |
| North Dakota | – Roger Johnson (NDDA staff) |
| Ohio | – Robert Boggs |
| South Carolina | – Larry Boyleston (SCDA staff) |
| Texas | – Drew DeBerry (TDA staff) |
| Utah | – Leonard Blackham |
| West Virginia | – Gus Douglass (IPCC Executive Committee) and Janet Fisher (WVDA staff) |
| Wyoming | – John Etchepare and Slade Franklin (WYDA staff) |

Others Present (2):

- | | |
|--------------|----------------------------|
| Bob Balaam | – Executive Director, IPCC |
| Carl Schulze | – National Plant Board |

Call to Order

Chairman Don Butler (AZ) called the meeting to order at 7:05 am.

Roll Call of Member States

IPCC Executive Director, Bob Balaam, took roll call, declaring 20 member states present.

Approval of Meeting Minutes

Chairman Butler called for an approval of the September 21, 2008 meeting minutes. Acceptance of the minutes was moved by Charles Bronson (FL) and was seconded by Leonard Blackham (UT). Motion passed with a majority vote.

Vacancy in the Office of Chairman

Executive Director Bob Balaam explained that at the last regular meeting of the Governing Board of the Interstate Pest Control Compact and Pest Control Insurance Fund (IPCC) in September, 2008, the Secretary of Agriculture from New Jersey, Charles Kuperus, was elected as Chair of the IPCC for the 2008-2009 fiscal year. Secretary Kuperus resigned from the New Jersey Department of Agriculture effective December 31, 2008 and, therefore, also resigned as Chair of the IPCC. Vice Chair, Don Butler, Director of Agriculture in Arizona, became Chair effective Jan 1, 2009 and shall serve as Chair until the next election of officers as required by the IPC bylaws.

According to the bylaws, the office of vice-chair shall be filled for the unexpired term by the Governing Board, no later than its next regular meeting following the occurrence of the vacancy. Therefore that vacancy must be filled at this 2009 mid-year meeting of the Governing Board.

Report of the Chairman

Chairman Butler deferred his report to that of the Executive Director.

Report of the Executive Director

Bob Balaam gave a report highlighting issues affecting the Compact since the September 2008 meeting as follows:

- Membership
 - There are 37 current member states. No new members have joined since September's meeting.
 - All current members have completely paid their membership fee. Six members are without enabling legislation (AZ, AR, FL, NE, PR and VT). These members have until September 2010 to pass enabling legislation or they will rescind all voting rights.
 - Puerto Rico is working on drafting legislation.
 - Arkansas is expecting to introduce legislation very soon. The Executive Director provided summary information about recent IPCC funded projects to the Arkansas Plant Board for use in the bill hearings.
 - Wisconsin passed legislation in 1995 with a proviso that their legislation would be effective when the Compact is adopted by the neighboring states of Illinois, Iowa, Michigan, and Minnesota; Iowa has not yet adopted the Compact and has no immediate plans to do so. Therefore, in December 2008, Wisconsin has introduced legislation in committee that amends the 1965 law by striking the requirement for Iowa to adopt the Compact. That bill is still in committee. Upon

passing the amended language, Wisconsin will be required to pay their current State assessment of \$19,077.

- Massachusetts has expressed some interest in pursuing adoption of the enabling legislation to join the Compact, but no legislative action has occurred.
- Insurance Fund Claims –
 - Michigan - Hemlock Woolly Adelgid: In December of 2006, the State of Ohio requested that the Compact be invoked and that the Compact's Pest Control Insurance Fund provide \$75,000 in funding assistance to the State of Michigan to conduct an eradication project and delimiting survey for a small infestation of hemlock woolly adelgid (HWA) in northwest Michigan. The Compact approved Ohio's request and committed \$75,000 to the State of Michigan for that effort. In October, the IPCC sent the final \$15,000 payment to Michigan for completion of this project. The revised project completion is June 1, 2009 in order to utilize the final \$15,000 to conduct additional surveys and precautionary soil treatments in previously known infestation sites in 2009. Michigan has removed all known infested and adjacent trees and has conducted soil treatments in infested sites where other hemlock trees occur. The State of Michigan has established an exterior quarantine to prevent the further movement of infested hemlock from entering that State. They consider the pest eradicated in areas of known infestation, but were granted an extension to ensure eradication of potential HWA life forms on susceptible trees in areas of previous infestation.
 - Colorado – Yellow Starthistle: A formal request to invoke the Compact was received on February 19 from the State of Wyoming in order to request funding for eradication of yellow starthistle in the neighboring Colorado counties of Moffat and Larimer. These counties are located on the CO/WY border and currently have documented yellow starthistle populations. Yellow starthistle is designated as a "List A" species in Colorado and eradication is, therefore, a statewide requirement. This species has not been found in Wyoming since 1984 but constitutes a threat to agriculture and forest crops if it reinvades the state. Therefore, the objectives of this project are to eradicate yellow starthistle from northern Colorado and prevent it from invading Wyoming. The funding request is for \$66,000 to cover a three year eradication project. Other funding sources for the project are the CO Noxious Weed Fund - a financial resource offered by the CO Dept of Ag. Another funding source is the USFS State and Private Forestry noxious weed grant program. Colorado Department of Agriculture awards and distributes funding from this source to Early Detection and Rapid Response programs on forested lands within Colorado. Action on this request will be taken under the new business section of this meeting.
 - Oregon – Aquatic Invasives: In early January the Executive Director received correspondence from the State of Oregon requesting information about the use of IPCC or other IPCC-like insurance funds for the control of aquatic invasives, such as zebra mussels or hydrilla. The Executive Director advised them that the IPCC manages an insurance fund for plant pests and does not cover aquatic invasives.

Although there are over 200 interstate compacts, it appears that only the IPCC manages an interstate insurance fund that can provide funding for control of invasives that may affect more than one State. Following this request, the Executive Director modified the “Frequently Asked Questions” section of the IPCC website to include the following language defining a “pest” for the purpose of IPCC funding: ““Pest” means any vertebrate animal, pathogen, parasitic plant or similar or allied organism which can cause disease or damage to any crops, trees, shrubs, grasses or other plants of substantial value. Pests and diseases of animals are not included. *Aquatic invasive species are also not included unless they can cause disease or damage to crops, trees, shrubs, grasses or other plants of substantial value.*[New language – January 24, 2009] Over the years pests which the Compact has addressed are those which were new or had economic significance, or were outside the control means of a single jurisdiction, or were of concern to other states if allowed to spread and the size of the infestation was such that results could be achieved. These criteria along with the definition of a pest, do serve to limit the requests made and approvals given.” The Executive Director asked if there was any objection to the interpretation of the IPCC’s scope. No objections were expressed by the Governing Board.

- Status of the IPCC Treasury
 - The federal income tax return for the 2007 tax year (IPCC 2008 fiscal year, July 1, 2007 to June 30, 2008) was prepared by a contracted accounting service, Veris Consulting, and was filed with the IRS in a timely fashion. The return is posted on the IPCC web site.
 - Effective mid-October, 2008, routine accounting services for the IPCC are now being provided by the Georgia Department of Agriculture, and all investment decisions are being made by the Treasurer, Commissioner Tom Irvin.

A motion to accept the report of the Executive Director was made by Charles Bronson (FL) and seconded by Richard Reich (NC). Motion passed with a majority vote.

Report of the Treasurer

Treasurer Tommy Irvin asked the Executive Director to present the Treasurer’s Report. Total Revenues exceeded current Operating Expenses by \$9,454. After the \$15,000 balance due on the Michigan Department of Agriculture claim was paid, total expenses exceeded revenue by \$5,546. Income on investments totaled \$21,343.33. There were no investment fees or expenses. Investment income covered all of the administrative and operating costs (\$11,889.51) for the period. No membership dues were received; no donations were received. Total Assets available on December 21, 2008 were \$1,122,540.97. This represents a decrease of \$3,607.99 from the June 30, 2008 balance, as shown on the Statement of Cash Flows. Funds were invested in Smith Barney securities earning varying rates of yield. The Smith Barney Financial Management Account, in which IPCC funds were invested, followed the investment strategy approved by the IPCC Executive Committee on September 23, 2007. The Smith Barney FMA was diversified in the following way as of December 31, 2008: Corporate Bonds (43%), Certificates of Deposit

(35%), and Money Fund (22%). Treasurer Irvin said there was some concern over the securities in our investment portfolio, but that he had talked with our Smith Barney account executive about those concerns. There was no further discussion on the report. A motion to accept the report was made by Charles Bronson (FL) and was seconded by John Stulp (CO). Motion passed with a majority vote.

Unfinished Business

There was no unfinished business.

New Business

- Election of Vice Chairman for unexpired term of 2008-2009 – Ed Kee (DE) nominated Patrick Hooker (NY) to fill the unexpired term of Vice Chair Don Butler (AZ) since he had filled the unexpired term of Chair due to the resignation of former Chair Charles Kuperus (NJ). Leonard Blackham (UT) seconded the nomination. The motion passed with a majority vote. In addition, due to the resignation of Ken Klemme (IN) from the position as Midwestern Region representative on the Executive Committee, Robert Boggs announced that he would assume that position.
- Executive Director Bob Balaam introduced discussion concerning the existing bylaw #12(b) that requires all member states to have passed enabling legislation by September 2010 or forfeit their voting rights on the Compact. Several states discussed the problems they were having with passing legislation, but all felt that they should continue to pursue passage of this legislation and that the bylaw should not be changed.
- Insurance Claim – Eradication of Yellow Starthistle in Two Colorado Counties – Executive Director Bob Balaam gave an overview of the request by Wyoming to invoke the Compact and provide \$66,000 from the Compact's Pest Control Insurance Fund to the State of Colorado to control the noxious weed, yellow starthistle, *Centaurea solstitialis*, in a two county area near Wyoming. The project design called for a three year program beginning April 15, 2009 and ending October 31, 2012. Executive Director Bob Balaam had already submitted the Wyoming application to the technical advisory committee for their evaluation and recommendation concerning funding. The Committee recommendation was due March 6. Ms Kelly Uhing, Colorado, and Mr. Slade Franklin, Wyoming, gave a presentation to the Governing Board about yellow starthistle and what Colorado's plans were for its control. There was some concern expressed by the Governing Board that since the seed heads can survive in the soil for as much as 10 years, that a three year eradication program may not be effective in eradicating the weed population. The weed experts from Colorado and Wyoming expressed their intent to conduct outreach activities with county weed program managers and property owners in an effort to solicit their help in eradicating any weeds that may appear following the intensive three year eradication program. Roger Johnson (ND) motioned to approve the funding request if so recommended by the IPCC Technical Advisory Committee. Gus Douglass (WV) seconded the motion. The motion passed with a majority vote. (*See note below concerning action taken on this request following the meeting.*)

Adjourn

Chairman Butler adjourned the meeting at 8:30 am.

Note: The IPCC Technical Advisory Committee members supported the yellow starthistle eradication proposal, but several committee members expressed concern as to whether the Compact should use its limited resources to eradicate incipient pest populations that will likely reoccur due to reintroduction, particularly a weed that is widely distributed in the U.S., and especially in the West where weeds are a “growing” problem. A request to the Executive Committee concerning continued support of the project request resulted in the opinion that based on the advisory committee comments, the Governing Board should continue to approve this request, but begin to think about what to do in the future when the same type of request is submitted. The Executive Director entered into a cooperative agreement with the Colorado Department of Agriculture on behalf of the IPCC on March 22, 2009.