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From: Dennis Olson
Sent: Wednesday, March 29, 2006 10:40 AM
To: staff@iatp.org
Subject: Report on Hearing on MN GE Wild Rice Moratorium/IATP Testimony

The Minnesota House Agriculture Committee heard Rep. Frank Moe's bill (HF3915) that was introduced by the White Earth Land Recovery Project yesterday. It was quite the grueling battle.

The bill was a conceptual compromise with the conventional paddy ("wild") rice growers (as opposed to the tribes' traditional hand harvesters). The conceptual compromise was to pass a two-year moratorium on GE wild rice in Minnesota as soon as anyone applied for a test plot for GE wild rice in the United States. The bill would the Minnesota Department of Natural Resources to hold public hearings and solicit public comment on the potential agronomic, environmental and cultural impacts that could result from the introduction of GE wild rice. The conceptual compromise was tentatively reached at a stakeholder meeting hosted by the Minnesota Department of Natural Resources last fall. This meeting was the compromise that came out of WELRP's efforts to pass an outright moratorium on GE wild rice last year, and was held at the request of the Senate Ag Committee.

Unfortunately, Beth Nelson, who is a part time paid executive director for the paddy rice growers, and who also works for other industrial commodity associations, ignored for over a month of attempts by WELRP to get paddy rice growers' feedback on the bill's language in attempt to reach compromise. Sarah Alexander finally had to literally chase her down in the halls on Monday, the day of the companion bill's hearing in the Senate Ag Committee, to finally talk to her. When she did, Ms. Nelson informed that the paddy rice growers executive committee had met earlier that day and decided to oppose the bill. In her testimony against the bill, Ms. Nelson could not answer committee member questions about why they didn't bother to talk to WELRP. Rep. Moe asked Ms. Nelson whether there was unanimous opposition among paddy rice growers against the bill. She said there was. Moe then asked whether the Red Lake Indian Reservation was a member of the paddy rice growers association. She said they were. Moe then produced a letter from the Red Lake tribal council supporting the bill, catching Ms. Nelson in an apparent misrepresentation.

Proponents argued that the bill was necessary, because current GE crop regulations were inadequate for addressing the unique cultural concerns and other issues. Opponents argued that passing a moratorium on wild rice would send a negative anti-GE message from Minnesota that the "radical environmental, organic movement" would exploit and publicize, resulting in the biotech industry avoiding investment in biotechnology in Minnesota. Their other main message that we didn't need more layers of state regulation, because the biotech industry is already over regulated, especially by the federal government. It was this argument that IATP's testimony undercut by citing a December 2005 audit report by the USDA's Office of Inspector General, which found fundamental failures of the Agriculture and Plant Health Inspection Service (APHIS) to regulate GE crop test plots. (See IATP testimony below.)

Monsanto made a rare public appearance testifying against the bill, usually leaving other proxies like the Farm Bureau to take the lead. The medical side of the biotech industry also came out against the bill echoing the arguments that the moratorium would chase away biotech investment from the state. Governor Pawlenty's Agriculture Department went on record against the bill.

Rep. Moe convinced the University of Minnesota, which is doing controversial research to map the wild rice genome that WELRP and the Ojibwe tribes are worried will lead to patenting of GE wild rice, to testify that it was neutral. The UM's representative stated to the committee that they were neutral

on the bill, but then she basically testified against it anyway, saying it was unnecessary and echoing other opponents' arguments about concerns over losing biotech funding.

Minnesota Farmers Union testified that they consulted with members from the Ojibwe reservation areas, and they agreed to support the bill.

After long discussion and debate, Rep. Moe agreed to work with opposing parties and the Pawlenty Administration to try to amend the bill to make it more acceptable. One idea suggested was to see what discretionary authority the Minnesota Department of Agriculture might have to require some of the public hearings and other provisions of the bill, and to see what the Pawlenty Administration might be willing to do along these lines.

**Testimony of R. Dennis Olson
Director, Trade & Agriculture Project
Institute for Agriculture & Trade Policy**

**Before the Agriculture and Rural Development Committee
Minnesota House of Representatives**

March 28, 2006

Good afternoon. Mr. Chairman, members of the committee, thank you for the opportunity to testify here today. My name is Dennis Olson, and I am the Director of the Trade & Agriculture Project at the Institute for Agriculture & Trade Policy in Minneapolis. The Institute promotes resilient family farms, rural communities and ecosystems around the world through research and education, science and technology, and advocacy.

IATP supports passage of HF3915, because this bill would provide appropriate state oversight and public input for affected stakeholders should a biotechnology company apply for an experimental test plot for genetically engineered wild rice. The bill would provide adequate time for the regulatory agencies and the state legislature to identify potential agronomic, socio-economic, environmental and cultural impacts that may occur from the release of GE wild rice into the environment. The bill would also provide time to develop safeguards, if necessary, to address any such impacts.

Such state oversight and enhanced public scrutiny can only be guaranteed by passage of this legislation, because the current regulation of GE crops in the U.S. is based on a policy called, "substantial equivalence," which treats GE crops the same as conventionally grown crops. This minimal regulatory approach will not provide stakeholders with the minimum participation in the approval process that HJ3915 would require.

To illustrate this point, I would like to call your attention to a December 2005 audit issued by the US Department of Agriculture's Office of Inspector General, which found that the Animal and Plant Health Inspection Service (APHIS), which is the USDA branch responsible for regulating GE crops, has failed to properly oversee field trials of GE plants, including those designed to produce pharmaceutical drugs and industrial chemicals.

According to the report, APHIS, "lacks basic information about the field test sites it approves and is responsible for monitoring, including where and how the crops are being grown, and what becomes of them at the end of the field test."

The audit also cites regulatory weaknesses in the internal management controls at the USDA that, "increase the risk that genetically engineered organisms will inadvertently persist in the environment before they are deemed safe to grow without regulation."

The report found that USDA did not always notice violations of their own rules, did not inspect planting sites when they should have, and did not assure that the genetically engineered crops were destroyed when the field trials were done. In many cases, USDA regulators did not even know the locations of field trials for which they granted permits.

Given this documented failure of USDA to safely regulate GE crops, it would only be prudent for the Minnesota legislature to pass HF3915, and give stakeholders, like Minnesota's Seven Ojibwe Tribes, a minimum opportunity to participate

meaningfully in the approval process for any introduction of GE wild rice.

For your information, I have attached copies of the executive summary from the USDA's Office of Inspector General's Audit with my testimony. The full report is available at: <http://www.usda.gov/oig/webdocs/50601-08-TE.pdf>.

Thank you again for the opportunity to testify today.

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