

August 10, 2009

## Fertilizer Advisory Council Meeting

Attendees: Paul Tracy, Rusty Lee, Jay Schutte, Clay Shelby, David Massdam, Mike Prince, Mike Stegmann, Brittiany (with Robert Brundage), Robert Brundage, Jim Russell, Don Nikodom, Lewis Rone, Steve Taylor, Don Houston, Kevin Holcer, Marc Linit and Joe Slater

Purpose: Discuss changes to RSMo 266.331 by the Missouri legislature and potential topics for the RFP for the coming year.

Joe Slater presented spreadsheet developed from the actual fertilizer data reported to fertilizer control on reports that are utilized to develop the Six Month Tonnage report by county. The spreadsheet estimated the various costs of products based on percent nitrogen contained in the product as compared to the current fee of \$.50 per ton. The spreadsheet demonstrated a progressive rate, a variable rate and the current flat rate on all fertilizer product currently reported for use in Missouri.

Based on the wording that was added to section 266.331 Rusty Lee indicated that it would best be enforced as a tiered fee structure: .02, .04 and .06 per ton of % nitrogen in the manipulated manure fertilizer products.

Robert Brundage asked why a potential producer of a high nitrogen product < 13.4% N would want to pay more than the current fee structure? There was no explanation given, as no one was there to explain the logic that had been utilized to develop the legislative change in the first place.

Paul Tracy suggested that had we (Fertilizer Advisory Council) been approached prior to submitting the legislative change a more workable solution for all the involved parties could have been developed. Basing a fee strictly on the nitrogen content discounts the other nutrients present, especially in areas of the state where manure nutrient applications are governed by phosphorus content of the material.

Mike Stegmann suggested that perhaps no action was needed and that the default fee of \$.30 per ton be allowed to apply for the first season to determine how many tons would be affected by the new fee structure. However, Don Nikodem pointed out that without a rule for manipulated animal or vegetable manure products the current rule of .50 per ton would be null and void also and fees on all fertilizer products would be at .30 per ton.

Joe Slater indicated that the inspection fee had been .30 per ton up until 1985 when the current rule was put in place, because the program was not covering expenses and the fee was established at .50 per ton.

Joe Slater volunteered to contact Raymond Haight, Asst. Attorney General assigned to Ag., to discuss the needed rules and draft rule language to implement the legislative change for circulation to the Board members for input an vote.

There was general concern about whether the rules could be adopted and implemented in time for the next reporting cycle.

After lunch, several individuals left (Jim Russell, Don Nikodom, Don Houston, Robert Brundage, and Brittiany). Discussion continued on research topics for the RFP to be issued in the fall. Joe Slater stated that permit fees collected for the first round of new proposals this year would total \$147,900.00.

Board members discussed the potential proposal topics and assignments to members.  
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True costs of new N sources (potentially directed to Eg Econ)

New product Investigation – some type of screening program

General need for the science and a point person for new products

Develop a sub-committee from within the Fertilizer Advisory Council to select products for testing.

Discussion for the need for extended testing on products, Statistical research on Variable Rate applications and Soybeans and fertility needs.

Notes/minutes by Joe Slater

Supplement:

The rules discussed were developed and circulated for comment. After strong opposition to the inclusion of a definition for manipulation was received, the definition was removed from rule 6 CSR 250-11.041. The final versions of 6 CSR 250-11.041 and 6 CSR 250-11.042 were circulated via e-mail to council members and received 10 affirmative votes on both. Subsequently the rules were filed with the Small Business Office, Joint Committee on Administrative Rules, and the Secretary of States Office on November 13, 2009. The rules were published in the Missouri Register December 15, 2009.