

# SENATE BILL 112

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(PRE-FILED)

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By: **Chair, Education, Health, and Environmental Affairs Committee (By Request  
– Departmental – Agriculture)**

Requested: October 5, 2015

Introduced and read first time: January 13, 2016

Assigned to: Education, Health, and Environmental Affairs

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## A BILL ENTITLED

1 AN ACT concerning

2 **Pest Control Compact – Repeal**

3 FOR the purpose of repealing the Pest Control Compact; repealing provisions of law  
4 relating to the findings of the parties to the compact; repealing provisions of law  
5 relating to the Pest Control Insurance Fund; repealing provisions of law relating to  
6 the administration of the compact and Insurance Fund; repealing provisions of law  
7 relating to the establishment of advisory and technical committees under the  
8 compact; repealing provisions of law relating to the entry into force, withdrawal, and  
9 construction of the compact; repealing certain definitions; and generally relating to  
10 the Interstate Pest Control Compact.

11 BY repealing

12 Article – Agriculture

13 Section 5–701 through 5–716 and the subtitle “Subtitle 7. Pest Control Compact”

14 Annotated Code of Maryland

15 (2007 Replacement Volume and 2015 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
17 That the Laws of Maryland read as follows:

18 **Article – Agriculture**

19 [Subtitle 7. Pest Control Compact.]

20 [5–701.

21 The party states find that:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In the absence of the higher degree of cooperation among them possible under  
2 this compact, the annual loss of approximately ten billion dollars from the depredations of  
3 pests is virtually certain to continue, if not to increase.

4 (b) Because of varying climatic, geographic and economic factors, each state may  
5 be affected differently by particular species of pests; but all states share the inability to  
6 protect themselves fully against those pests which present serious dangers to them.

7 (c) The migratory character of pest infestations makes it necessary for states both  
8 adjacent to and distant from one another to complement each other's activities when faced  
9 with conditions of infestation and reinfestation.

10 (d) While every state is seriously affected by a substantial number of pests, and  
11 every state is susceptible of infestation by many species of pests not now causing damage  
12 to its crop and plant life and products, the fact that relatively few species of pests present  
13 equal danger to or are of interest to all states makes the establishment and operation of an  
14 insurance fund, from which individual states may obtain financial support for pest control  
15 programs of benefit to them in other states and to which they may contribute in accordance  
16 with their relative interests, the most equitable means of financing cooperative pest  
17 eradication and control programs.]

18 [5-702.

19 As used in this compact, unless the context clearly requires a different construction:

20 (a) "State" means a state, territory or possession of the United States, the District  
21 of Columbia, and the Commonwealth of Puerto Rico.

22 (b) "Requesting state" means a state which invokes the procedures of the compact  
23 to secure the undertaking or intensification of measures to control or eradicate one or more  
24 pests within one or more other states.

25 (c) "Responding state" means a state requested to undertake or intensify the  
26 measures referred to in subdivision (b) of this section.

27 (d) "Pest" means any invertebrate animal, pathogen, parasitic plant or similar or  
28 allied organism which can cause disease or damage in any crops, trees, shrubs, grasses or  
29 other plants of substantial value.

30 (e) "Insurance Fund" means the Pest Control Insurance Fund established  
31 pursuant to this compact.

32 (f) "Governing board" means the administrators of this compact representing all  
33 of the party states when such administrators are acting as a body in pursuance of authority  
34 vested in them by this compact.

1 (g) "Executive committee" means the committee established pursuant to §  
2 5-705(e) of this compact.]

3 [5-703.

4 There is hereby established the Pest Control Insurance Fund for the purpose of  
5 financing other than normal pest control operations which states may be called upon to  
6 engage in pursuant to this compact. The Insurance Fund shall contain moneys  
7 appropriated to it by the party states and any donations and grants accepted by it. All  
8 appropriations, except as conditioned by the rights and obligations of party states expressly  
9 set forth in this compact, or by their constitutions, shall be unconditional and may not be  
10 restricted by the appropriating state to use in the control of any specified pest or pests.  
11 Donations and grants may be conditional or unconditional, provided that the Insurance  
12 Fund shall not accept any donation or grant whose terms are inconsistent with any  
13 provision of this compact.]

14 [5-704.

15 (a) The Insurance Fund shall be administered by a governing board and executive  
16 committee as hereinafter provided. The actions of the governing board and executive  
17 committee pursuant to this compact shall be deemed the actions of the Insurance Fund.

18 (b) The members of the governing board shall be entitled to one vote each on such  
19 board. No action of the governing board shall be binding unless taken at a meeting at which  
20 a majority of the total number of votes on the governing board are cast in favor thereof.  
21 Action of the governing board shall be only at a meeting at which a majority of the members  
22 are present.

23 (c) The Insurance Fund shall have a seal which may be employed as an official  
24 symbol and which may be affixed to documents and otherwise used as the governing board  
25 may provide.

26 (d) The governing board shall elect annually, from among its members, a  
27 chairman, vice-chairman, a secretary and a treasurer. The chairman may not succeed  
28 himself. The governing board may appoint an executive director and fix his duties and his  
29 compensation, if any. Such executive director shall serve at the pleasure of the governing  
30 board. The governing board shall make provision for the bonding of such of the officers and  
31 employees of the Insurance Fund as may be appropriate.

32 (e) Irrespective of the civil service, personnel or other merit system laws of any of  
33 the party states, the executive director, or if there be no executive director, the chairman,  
34 in accordance with such procedures as the bylaws may provide, shall appoint, remove or  
35 discharge such personnel as may be necessary for the performance of the functions of the  
36 Insurance Fund and shall fix the duties and compensation of such personnel. The governing  
37 board in its bylaws shall provide for the personnel policies and programs of the Insurance  
38 Fund.

1 (f) The Insurance Fund may borrow, accept or contract for the services of  
2 personnel from any state, the United States, or any other governmental agency, or from  
3 any person, firm, association or corporation.

4 (g) The Insurance Fund may accept for any of its purposes and functions under  
5 this compact any and all donations, and grants of money, equipment, supplies, materials  
6 and services, conditional or otherwise, from any state, the United States, or any other  
7 governmental agency, or from any person, firm, association or corporation, and may receive,  
8 utilize and dispose of the same. Any donation, gift or grant accepted by the governing board  
9 pursuant to this paragraph or services borrowed pursuant to paragraph (f) of this section  
10 shall be reported in the annual report of the Insurance Fund. Such report shall include the  
11 nature, amount and conditions, if any, of the donation, gift, grant or services borrowed and  
12 the identity of the donor or lender.

13 (h) The governing board shall adopt bylaws for the conduct of the business of the  
14 Insurance Fund and shall have the power to amend and rescind these bylaws. The  
15 Insurance Fund shall publish its bylaws in convenient form and shall file a copy thereof  
16 and a copy of any amendment thereto with the appropriate agency or officer in each of the  
17 party states.

18 (i) Repealed.

19 (j) In addition to the powers and duties specifically authorized and imposed, the  
20 Insurance Fund may do such other things as are necessary and incidental to the conduct of  
21 its affairs pursuant to this compact.]

22 [5-705.

23 (a) In each party state there shall be a compact administrator, who shall be  
24 selected and serve in such manner as the laws of his state may provide, and who shall:

25 (1) Assist in the coordination of activities pursuant to the compact in his  
26 state; and

27 (2) Represent his state on the governing board of the Insurance Fund.

28 (b) If the laws of the United States specifically so provide, or if administrative  
29 provision is made therefor within the federal government, the United States may be  
30 represented on the governing board of the Insurance Fund by not to exceed three  
31 representatives. Any such representative or representatives of the United States shall be  
32 appointed and serve in such manner as may be provided by or pursuant to federal law, but  
33 no such representatives shall have a vote on the governing board or on the executive  
34 committee thereof.

35 (c) The governing board shall meet at least once each year for the purpose of  
36 determining policies and procedures in the administration of the Insurance Fund and,  
37 consistent with the provisions of the compact, supervising and giving direction to the

1 expenditure of moneys from the Insurance Fund. Additional meetings of the governing  
2 board shall be held on call of the chairman, the executive committee, or a majority of the  
3 membership of the governing board.

4 (d) At such times as it may be meeting, the governing board shall pass upon  
5 applications for assistance from the Insurance Fund and authorize disbursements  
6 therefrom. When the governing board is not in session, the executive committee thereof  
7 shall act as agent of the governing board, with full authority to act for it in passing upon  
8 such applications.

9 (e) The executive committee shall be composed of the chairman of the governing  
10 board and four additional members of the governing board chosen by it so that there shall  
11 be one member representing each of four geographic groupings of party states. The  
12 governing board shall make such geographic groupings. If there is representation of the  
13 United States on the governing board, one such representative may meet with the executive  
14 committee. The chairman of the governing board shall be chairman of the executive  
15 committee. No action of the executive committee shall be binding unless taken at a meeting  
16 at which at least four members of such committee are present and vote in favor thereof.  
17 Necessary expenses of each of the five members of the executive committee incurred in  
18 attending meetings of such committee, when not held at the same time and place as a  
19 meeting of the governing board, shall be charges against the Insurance Fund.]

20 [5-706.

21 (a) Each party state pledges to each other party state that it will employ its best  
22 efforts to eradicate, or control within the strictest practicable limits, any and all pests. It is  
23 recognized that performance of this responsibility involves:

24 (1) The maintenance of pest control and eradication activities of interstate  
25 significance by a party state at a level that would be reasonable for its own protection in  
26 the absence of this compact.

27 (2) The meeting of emergency outbreaks or infestations of interstate  
28 significance to no less an extent than would have been done in the absence of this compact.

29 (b) Whenever a party state is threatened by a pest not present within its borders  
30 but present within another party state, or whenever a party state is undertaking or  
31 engaged in activities for the control or eradication of a pest or pests, and finds that such  
32 activities are or would be impracticable or substantially more difficult of success by reason  
33 of failure of another party state to cope with infestation or threatened infestation, that state  
34 may request the governing board to authorize expenditures from the Insurance Fund for  
35 eradication or control measures to be taken by one or more of such other party states at a  
36 level sufficient to prevent, or to reduce to the greatest practicable extent, infestation or  
37 reinfestation of the requesting state. Upon such authorization the responding state or  
38 states shall take or increase such eradication or control measures as may be warranted. A  
39 responding state shall use moneys made available from the Insurance Fund expeditiously  
40 and efficiently to assist in affording the protection requested.

1 (c) In order to apply for expenditures from the Insurance Fund, a requesting state  
2 shall submit the following in writing:

3 (1) A detailed statement of the circumstances which occasion the request  
4 for the invoking of the compact.

5 (2) Evidence of need for eradication or control assistance because the pest  
6 in question constitutes a danger to an agricultural or forest crop, product, tree, shrub, grass  
7 or other plant having a substantial value to the requesting state.

8 (3) A statement of the extent of the present and projected program of the  
9 requesting state and its subdivisions, including full information as to the legal authority  
10 for the conduct of such program or programs and the expenditures being made or budgeted  
11 therefor, in connection with the eradication, control, or prevention of introduction of the  
12 pest concerned.

13 (4) Proof that the expenditures being made or budgeted as detailed in item  
14 (3) do not constitute a reduction of the effort for the control or eradication of the pest  
15 concerned or, if there is a reduction, the reasons why the level of program detailed in item  
16 (3) constitutes a normal level of pest control activity.

17 (5) A declaration as to whether, to the best of its knowledge and belief, the  
18 conditions which in its view occasion the invoking of the compact in the particular instance  
19 can be abated by a program undertaken with the aid of moneys from the Insurance Fund  
20 in one year or less, or whether the request is for an installment in a program which is likely  
21 to continue for a longer period of time.

22 (6) Such other information as the governing board may require consistent  
23 with the provisions of this compact.

24 (d) The governing board or executive committee shall give due notice of any  
25 meeting at which an application for assistance from the Insurance Fund is to be considered.  
26 Such notice shall be given to the compact administrator of each party and to such other  
27 officers and agencies as may be designated by the laws of the party states. The requesting  
28 state and any other party state shall be entitled to be represented and present evidence  
29 and argument at such meeting.

30 (e) Upon the submission as required by paragraph (c) of this section and such  
31 other information as it may have or acquire, and upon determining that an expenditure of  
32 funds is within the purposes of this compact and justified thereby, the governing board or  
33 executive committee shall authorize support of the program. The governing board or the  
34 executive committee may meet at any time or place for the purpose of receiving and  
35 considering an application. Any and all determinations of the governing board or executive  
36 committee, with respect to an application, together with the reasons therefor shall be  
37 recorded and subscribed in such manner as to show and preserve the votes of the individual  
38 members thereof.

1 (f) A requesting state which is dissatisfied with a determination of the executive  
2 committee shall upon notice in writing given within 20 days of the determination with  
3 which it is dissatisfied, be entitled to receive a review thereof at the next meeting of the  
4 governing board. Determinations of the executive committee shall be reviewable only by  
5 the governing board at one of its regular meetings, or at a special meeting held in such  
6 manner as the governing board may authorize.

7 (g) Responding states required to undertake or increase measures pursuant to  
8 this compact may receive moneys from the Insurance Fund, either at the time or times  
9 when such state incurs expenditures on account of such measures, or as reimbursement for  
10 expenses incurred and chargeable to the Insurance Fund. The governing board shall adopt  
11 and, from time to time, may amend or revise procedures for submission of claims upon it  
12 and for payment thereof.

13 (h) Before authorizing the expenditure of moneys from the Insurance Fund  
14 pursuant to an application of a requesting state, the Insurance Fund shall ascertain the  
15 extent and nature of any timely assistance or participation which may be available from  
16 the federal government and shall request the appropriate agency or agencies of the federal  
17 government for such assistance and participation.

18 (i) The Insurance Fund may negotiate and execute a memorandum of  
19 understanding or other appropriate instrument defining the extent and degree of  
20 assistance or participation between and among the Insurance Fund, cooperating federal  
21 agencies, states and any other entities concerned.]

22 [5-707.

23 The governing board may establish advisory and technical committees composed of  
24 state, local, and federal officials, and private persons to advise it with respect to any one or  
25 more of its functions. Any such advisory or technical committee, or any member or members  
26 thereof may meet with and participate in its deliberations. Upon request of the governing  
27 board or executive committee an advisory or technical committee may furnish information  
28 and recommendations with respect to any application for assistance from the Insurance  
29 Fund being considered by such board or committee and the board or committee may receive  
30 and consider the same: provided that any participant in a meeting of the governing board  
31 or executive committee held pursuant to § 5-706(d) of the compact shall be entitled to know  
32 the substance of any such information and recommendations, at the time of the meeting if  
33 made prior thereto or as a part thereof or, if made thereafter, no later than the time at  
34 which the governing board or executive committee makes its disposition of the application.]

35 [5-708.

36 (a) A party state may make application for assistance from the Insurance Fund  
37 in respect of a pest in a nonparty state. Such application shall be considered and disposed  
38 of by the governing board or executive committee in the same manner as an application  
39 with respect to a pest within a party state, except as provided in this section.

1 (b) At or in connection with any meeting of the governing board or executive  
2 committee held pursuant to § 5-706 of this compact, a nonparty state shall be entitled to  
3 appear, participate, and receive information only to such extent as the governing board or  
4 executive committee may provide. A nonparty state shall not be entitled to review of any  
5 determination made by the executive committee.

6 (c) The governing board or executive committee shall authorize expenditures  
7 from the Insurance Fund to be made in a nonparty state only after determining that the  
8 conditions in such state and the value of such expenditures to the party states as a whole  
9 justify them. The governing board or executive committee may set any conditions which it  
10 deems appropriate with respect to the expenditure of moneys from the Insurance Fund in  
11 a nonparty state and may enter into such agreement or agreements with nonparty states  
12 and other jurisdictions or entities as it may deem necessary or appropriate to protect the  
13 interests of the Insurance Fund with respect to expenditures and activities outside of party  
14 states.]

15 [5-709.

16 (a) The Insurance Fund shall submit to the executive head or designated officer  
17 or officers of each party state a budget for the Insurance Fund for such period as may be  
18 required by the laws of that party state for presentation to the legislature thereof.

19 (b) Each of the budgets shall contain specific recommendations of the amount or  
20 amounts to be appropriated by each of the party states. The requests for appropriations  
21 shall be apportioned among the party states as follows: one tenth of the total budget in  
22 equal shares and the remainder in proportion to the value of agricultural and forest crops  
23 and products, excluding animals and animal products, produced in each party state. In  
24 determining the value of such crops and products the Insurance Fund may employ such  
25 source or sources of information as in its judgment present the most equitable and accurate  
26 comparisons among the party states. Each of the budgets and requests for appropriations  
27 shall indicate the source or sources used in obtaining information concerning value of  
28 products. Nothing in this compact shall be construed as requiring the Governor to include  
29 an appropriation, or any particular amount of appropriation, in the budget he submits to  
30 the General Assembly, nor as requiring the General Assembly to authorize such an  
31 appropriation or amount.

32 (c) The financial assets of the Insurance Fund shall be maintained in two  
33 accounts to be designated respectively as the "operating account" and "claims account". The  
34 operating account shall consist only of those assets necessary for the administration of the  
35 Insurance Fund during the next ensuing two-year period. The claims account shall contain  
36 all moneys not included in the operating account and shall not exceed the amount  
37 reasonably estimated to be sufficient to pay all legitimate claims on the Insurance Fund for  
38 a period of three years. At any time when the claims account has reached its maximum  
39 limit or would reach its maximum limit by the addition of moneys requested for  
40 appropriation by the party states, the governing board shall reduce its budget requests on  
41 a pro rata basis in such a manner as to keep the claims account within such maximum

1 limit. Any moneys in the claims account by virtue of conditional donations, grants or gifts  
2 shall be included in calculations made pursuant to this paragraph only to the extent that  
3 such moneys are available to meet demands arising out of claims.

4 (d) The Insurance Fund shall not pledge the credit of any party state. The  
5 Insurance Fund may meet any of its obligations in whole or in part with moneys available  
6 to it under § 5-704(g) of this compact, provided that the governing board takes specific  
7 action setting aside such moneys prior to incurring any obligation to be met in whole or in  
8 part in such manner. Except where the Insurance Fund makes use of moneys available to  
9 it under § 5-704(g) hereof, the Insurance Fund shall not incur any obligation prior to the  
10 allotment of moneys by the party states adequate to meet the same.

11 (e) The Insurance Fund shall keep accurate accounts of all receipts and  
12 disbursements. The receipts and disbursements of the Insurance Fund shall be subject to  
13 the audit and accounting procedures established under its bylaws. However, all receipts  
14 and disbursements of funds handled by the Insurance Fund shall be audited yearly by a  
15 licensed certified public accountant and a report of the audit shall be included in and  
16 become part of the annual report of the Insurance Fund.

17 (f) The accounts of the Insurance Fund shall be open at any reasonable time for  
18 inspection by duly authorized officers of the party states and by any persons authorized by  
19 the Insurance Fund.]

20 [5-710.

21 (a) This compact shall enter into force when enacted into law by any five or more  
22 states. Thereafter, this compact shall become effective as to any other state upon its  
23 enactment thereof.

24 (b) Any party state may withdraw from this compact by enacting a statute  
25 repealing the same, but no such withdrawal shall take effect until two years after the  
26 executive head of the withdrawing state has given notice in writing of the withdrawal to  
27 the executive heads of all other party states. No withdrawal shall affect any liability  
28 already incurred by or chargeable to a party state prior to the time of such withdrawal.]

29 [5-711.

30 This compact shall be liberally construed so as to effectuate the purposes thereof.  
31 The provisions of this compact shall be severable and if any phrase, clause, sentence or  
32 provision of this compact is declared to be contrary to the constitution of any state or of the  
33 United States or the applicability thereof to any government, agency, person or  
34 circumstance is held invalid, the validity of the remainder of this compact and the  
35 applicability thereof to any government, agency, person or circumstance shall not be  
36 affected thereby. If this compact shall be held contrary to the constitution of any state  
37 participating herein, the compact shall remain in full force and effect as to the remaining  
38 party states and in full force and effect as to the state affected as to all severable matters.]

1 [5-712.

2 Consistent with law and within available appropriations, the departments, agencies,  
3 and officers of Maryland may cooperate with the Insurance Fund established by this  
4 subtitle.]

5 [5-713.

6 Pursuant to § 5-704(h) of this subtitle, copies of the bylaws and amendments thereto  
7 shall be filed with the Maryland Secretary of Agriculture.]

8 [5-714.

9 The compact administrator for Maryland shall be the Maryland Secretary of  
10 Agriculture and his duties as compact administrator shall be deemed a regular part of the  
11 duties of his office.]

12 [5-715.

13 A request or application for assistance from the Insurance Fund pursuant to §  
14 5-706(b) or § 5-708(a) of this subtitle may be made by the Governor of Maryland.]

15 [5-716.

16 As used in this subtitle with reference to Maryland, the term “executive head” means  
17 the Governor.]

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
19 1, 2016.