

**First Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO**

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 07-0800.01 Karen Epps

**HOUSE BILL 07-1306**

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**HOUSE SPONSORSHIP**

**Hodge,**

**SENATE SPONSORSHIP**

**Tochtrop,**

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**House Committees**

Agriculture, Livestock, & Natural Resources  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE "PEST CONTROL ACT", AND, IN CONNECTION**  
102 **THEREWITH, ADOPTING THE PEST CONTROL COMPACT.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Allows the commissioner of agriculture (commissioner) to issue and enforce a hold order to isolate plant material, restricting its movement, and specifying appropriate sanitary measures pending completion of testing for pests or disease.

Allows the commissioner to conduct inspections and issue phytosanitary and export certificates on plants for shipment to other states or foreign countries. Allows the commissioner to enter into compliance

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

HOUSE  
3rd Reading Unamended  
March 19, 2007

HOUSE  
Amended 2nd Reading  
March 16, 2007

agreements with producers and distributors of nursery stock, agricultural crops, and other plant materials for the purpose of issuing export certificates.

Adopts the pest control compact.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Article 4 of title 35, Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW SECTION to read:

4 **35-4-101.5. Legislative declaration.** THE GENERAL ASSEMBLY  
5 HEREBY FINDS AND DECLARES THAT THERE IS A NEED TO PREVENT THE  
6 INTRODUCTION INTO COLORADO AND THE DISSEMINATION WITHIN THIS  
7 STATE OF PLANT PESTS THROUGH THE MOVEMENT OF PLANT PRODUCTS  
8 AND OTHER PLANT MATERIAL. THIS ACT PROVIDES FOR THE REGULATION  
9 OF THE MOVEMENT OF PLANT PRODUCTS, MATERIALS, AND PESTS IN  
10 COLORADO AND ESTABLISHES PROVISIONS UNDER WHICH SUCH PLANT  
11 PRODUCTS AND MATERIALS MAY LEGALLY ENTER OR LEAVE THE STATE.  
12 THIS ACT ALSO PROVIDES FOR THE ESTABLISHMENT OF INTERSTATE AND  
13 INTRASTATE QUARANTINES TO RESTRICT THE MOVEMENT OF PLANT  
14 PRODUCTS, MATERIALS, AND PESTS. TO THIS END, THE COMMISSIONER OF  
15 AGRICULTURE IS HEREBY DIRECTED AND AUTHORIZED TO CONTROL AND  
16 PREVENT, BY SUCH MEANS AS SHALL BE PRESCRIBED AND PROVIDED BY  
17 LAW, RULE, OR ORDER OF THE COMMISSIONER, ALL CONTAGIOUS,  
18 INFECTIOUS, AND PLANT PESTS DESTRUCTIVE TO THE STATE'S  
19 AGRICULTURAL, FORESTRY, OR HORTICULTURAL INTERESTS OR TO THE  
20 STATE'S GENERAL ENVIRONMENTAL QUALITY.

21 **SECTION 2.** 35-4-103 (2) (a) and (3), Colorado Revised Statutes,  
22 are amended to read:

23 **35-4-103. Administration.** (2) (a) Whenever the commissioner

1 has reasonable cause to believe a violation of any provision of this article  
2 or any rule made, ORDER ISSUED, or quarantine declared pursuant to this  
3 article has occurred and immediate enforcement is deemed necessary, the  
4 commissioner may issue a cease and desist order, which may require any  
5 person to cease violating any provision of this article or any rule made,  
6 ORDER ISSUED, or quarantine declared pursuant to this article. Such cease  
7 and desist order shall set forth the provisions alleged to have been  
8 violated, the facts alleged to have constituted the violation, and the  
9 requirement that all actions cease ~~forthwith~~ IMMEDIATELY.

10 (3) Whenever the commissioner possesses sufficient evidence  
11 satisfactory to the commissioner indicating that a person has engaged in  
12 or is about to engage in any act or practice constituting a violation of any  
13 provision of this article or rule, ORDER, or quarantine, the commissioner  
14 may apply to any court of competent jurisdiction for an order to  
15 temporarily or permanently restrain or enjoin the act or practice in  
16 question and to enforce compliance with this article or any rule, ~~or~~  
17 quarantine, or order under this article. In any such action, the  
18 commissioner shall not be required to plead or prove irreparable injury or  
19 the inadequacy of the remedy at law. Under no circumstances shall the  
20 court require the commissioner to post a bond.

21 **SECTION 3.** 35-4-108, Colorado Revised Statutes, is amended  
22 to read:

23 **35-4-108. Unlawful to transport pests.** (1) It is unlawful for  
24 any person, by any means whatsoever, to knowingly transport, into or in  
25 Colorado, live pests or host material which may be injurious to  
26 agriculture or horticulture in this state, without permission from the  
27 commissioner.

1           (2) THE COMMISSIONER MAY ISSUE AND ENFORCE A HOLD ORDER  
2           AGAINST ANY PERSON WHO OWNS OR CONTROLS ANY NURSERY STOCK,  
3           AGRICULTURAL CROP, OR OTHER PLANT MATERIAL THAT IS SUSPECTED OF  
4           HARBORING A PLANT PEST OR DISEASE, FOR THE PURPOSE OF ISOLATING  
5           THE MATERIAL, RESTRICTING ITS MOVEMENT, AND SPECIFYING  
6           APPROPRIATE SANITARY MEASURES PENDING COMPLETION OF TESTING TO  
7           CONFIRM THE PRESENCE OF SUCH PEST OR DISEASE.

8           **SECTION 4.** 35-4-110 (3), Colorado Revised Statutes, is  
9           amended to read:

10           **35-4-110. Quarantine and control of pests.** (3) The  
11           commissioner is authorized, pursuant to the provisions of this article, to  
12           apply such control or eradication measures as may be necessary to prevent  
13           the migration of exotic pests not previously found in the United States,  
14           pests known to cause high levels of economic damage under similar  
15           conditions of climate and natural habitat in other areas outside the state,  
16           or pests ~~which are~~ known to have caused high levels of economic damage  
17           in the past within this state ~~which~~ THAT threaten to become established in  
18           this state and ~~which~~ THAT endanger agricultural or horticultural industries  
19           in this state. The actual costs to offset the cash funds expended for  
20           services performed by the commissioner in imposing the quarantine and  
21           such control or eradication measures shall be recovered from the  
22           producers of any crop protected by such quarantine pursuant to rules  
23           promulgated by the commissioner. If the governor declares an emergency  
24           pursuant to section 35-4-110.5, the commissioner's costs may be  
25           recovered from the ~~governor's agricultural emergency and~~ disaster  
26           EMERGENCY fund, CREATED IN SECTION 24-32-2106, C.R.S. The  
27           commissioner is authorized to accept assistance, services, facilities, and

1 grants tendered by federal or local governmental units or other persons.

2 **SECTION 5.** 35-4-111, Colorado Revised Statutes, is amended  
3 to read:

4 **35-4-111. Inspections - certificates - remedial measures.**

5 (1) Should any owner or bailee request an inspection of crops, plant  
6 material, or other articles or premises for pests, the commissioner shall  
7 provide such inspection and issue a certificate setting forth the facts of  
8 said inspection and shall charge the owner or bailee adequate fees to  
9 cover the cost of such inspections and certificates. The commissioner has  
10 authority to impound and prohibit movement, sale, or disposal of such  
11 crops, plant material, or other articles until such fees are paid. The  
12 release of such crops, plant material, or other articles shall also be  
13 dependent on meeting all inspection requirements.

14 (2) THE COMMISSIONER MAY CONDUCT INSPECTIONS AND ISSUE  
15 PHYTOSANITARY AND EXPORT CERTIFICATES ON PLANTS FOR INDIVIDUAL  
16 SHIPMENT TO OTHER STATES OR FOREIGN COUNTRIES IF THOSE PLANTS  
17 COMPLY WITH THE REQUIREMENTS OR REGULATIONS OF SUCH STATE OR  
18 FOREIGN COUNTRY. THE COMMISSIONER MAY COLLECT INSPECTION AND  
19 CERTIFICATION FEES, IN AN AMOUNT ESTABLISHED BY THE AGRICULTURAL  
20 COMMISSION, TO COVER THE DIRECT AND INDIRECT COSTS OF PROVIDING  
21 SUCH SERVICES. ALL FEES COLLECTED PURSUANT TO THIS SECTION SHALL  
22 BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE  
23 SAME TO THE PHYTOSANITARY INSPECTION FUND, WHICH IS HEREBY  
24 CREATED, FOR USE IN ADMINISTERING THE PROGRAM.

25 (3) THE COMMISSION MAY ENTER INTO COMPLIANCE AGREEMENTS  
26 WITH PRODUCERS AND DISTRIBUTORS OF NURSERY STOCK, AGRICULTURAL  
27 CROPS, AND OTHER PLANT MATERIALS FOR THE PURPOSE OF CERTIFYING

1 SUCH PLANT MATERIALS AS PEST-FREE FOR EXPORT CERTIFICATION. AT  
2 ANY TIME AFTER ENTERING INTO SUCH AN AGREEMENT, IF THE  
3 COMMISSIONER HAS REASON TO BELIEVE THAT THE PRODUCER OR  
4 DISTRIBUTOR OF THE PLANT MATERIAL THAT IS THE SUBJECT OF THE  
5 AGREEMENT HAS FAILED TO COMPLY WITH ALL OF THE TERMS OF THE  
6 AGREEMENT, THE COMMISSIONER MAY TERMINATE THE AGREEMENT BY  
7 GIVING THE PRODUCER OR DISTRIBUTOR WRITTEN NOTICE OF SUCH  
8 TERMINATION AND THE GROUNDS THEREFOR.

9 **SECTION 6.** 35-4-113 (2), Colorado Revised Statutes, is  
10 amended, and the said 35-4-113 is further amended BY THE ADDITION  
11 OF A NEW SUBSECTION, to read:

12 **35-4-113. Federal agreements.** (2) The commissioner may enter  
13 into agreements with any agency of the federal government for the  
14 purposes of inspecting sites and plants and monitoring compliance with  
15 post-entry quarantine as required by the federal "~~Plant Quarantine Act of~~  
16 ~~1912~~", 7 U.S.C. sec. 154, as amended "PLANT PROTECTION ACT", 7  
17 U.S.C. SEC. 7712, AS AMENDED, and the rules ~~and regulations~~  
18 promulgated PURSUANT thereto. The actual costs to offset the cash funds  
19 expended by the commissioner pursuant to such agreement, including, but  
20 not limited to, promulgating any rules necessary for the administration  
21 and enforcement of such agreement and conducting inspections of sites  
22 and plants shall be recovered from the persons who have signed  
23 post-entry quarantine growing agreements covering the sites where the  
24 articles are grown or, if no such agreement exists, from the owners of the  
25 articles at the growing sites.

26 (3) THE COMMISSIONER MAY ENTER INTO COOPERATIVE  
27 AGREEMENTS WITH ANY OTHER STATE OR FEDERAL AGENCY FOR THE

1 PURPOSE OF CONDUCTING INSPECTIONS AND ISSUING PHYTOSANITARY  
2 CERTIFICATES PURSUANT TO SECTION 35-4-111.

3 **SECTION 7.** Title 35, Colorado Revised Statutes, is amended BY  
4 THE ADDITION OF A NEW ARTICLE to read:

5 **ARTICLE 4.5**

6 **Pest Control Compact**

7 **35-4.5-101. Pest control compact.** (1) THE GENERAL ASSEMBLY  
8 HEREBY APPROVES THE PEST CONTROL COMPACT, WHICH IS HEREBY  
9 ENACTED INTO LAW AND ENTERED INTO WITH ALL OTHER JURISDICTIONS  
10 LEGALLY JOINING THEREIN IN THE FORM SUBSTANTIALLY AS FOLLOWS:

11 **PEST CONTROL COMPACT**

12 **Article I**

13 **Findings**

14 THE PARTY STATES FIND THAT:

15 (a) IN THE ABSENCE OF THE HIGHER DEGREE OF COOPERATION  
16 AMONG THEM POSSIBLE UNDER THIS COMPACT, THE ANNUAL LOSS OF  
17 APPROXIMATELY 137 BILLION DOLLARS FROM THE DEPREDATIONS OF  
18 PESTS IS VIRTUALLY CERTAIN TO CONTINUE, IF NOT TO INCREASE.

19 (b) BECAUSE OF THE VARYING CLIMATIC, GEOGRAPHIC AND  
20 ECONOMIC FACTORS, EACH STATE MAY BE AFFECTED DIFFERENTLY BY  
21 PARTICULAR SPECIES OF PESTS; BUT ALL STATES SHARE THE INABILITY TO  
22 PROTECT THEMSELVES FULLY AGAINST THOSE PESTS WHICH PRESENT  
23 SERIOUS DANGERS TO THEM.

24 (c) THE MIGRATORY CHARACTER OF PEST INFESTATIONS MAKES IT  
25 NECESSARY FOR STATES BOTH ADJACENT TO AND DISTANT FROM ONE  
26 ANOTHER, TO COMPLEMENT EACH OTHER'S ACTIVITIES WHEN FACED WITH  
27 CONDITIONS OF INFESTATION AND REINFESTATION.

1 (d) WHILE EVERY STATE IS SERIOUSLY AFFECTED BY A  
2 SUBSTANTIAL NUMBER OF PESTS, AND EVERY STATE IS SUSCEPTIBLE OF  
3 INFESTATION BY MANY SPECIES OF PESTS NOT NOW CAUSING DAMAGE TO  
4 ITS CROPS AND PLANT LIFE AND PRODUCTS, THE FACT THAT RELATIVELY  
5 FEW SPECIES OF PESTS PRESENT EQUAL DANGER TO OR ARE OF INTEREST TO  
6 ALL STATES MAKES THE ESTABLISHMENT AND OPERATION OF AN  
7 INSURANCE FUND, FROM WHICH INDIVIDUAL STATES MAY OBTAIN  
8 FINANCIAL SUPPORT FOR PEST CONTROL PROGRAMS OF BENEFIT TO THEM  
9 IN OTHER STATES AND TO WHICH THEY MAY CONTRIBUTE IN ACCORDANCE  
10 WITH THEIR RELATIVE INTEREST, THE MOST EQUITABLE MEANS OF  
11 FINANCING COOPERATIVE PEST ERADICATION AND CONTROL PROGRAMS.

## 12 Article II

### 13 Definitions

14 AS USED IN THIS COMPACT, UNLESS THE CONTEXT CLEARLY  
15 REQUIRES A DIFFERENT CONSTRUCTION:

16 (a) "STATE" MEANS A STATE, TERRITORY OR POSSESSION OF THE  
17 UNITED STATES, THE DISTRICT OF COLUMBIA, AND THE COMMONWEALTH  
18 OF PUERTO RICO.

19 (b) "REQUESTING STATE" MEANS A STATE WHICH INVOKES THE  
20 PROCEDURES OF THE COMPACT TO SECURE THE UNDERTAKING OR  
21 INTENSIFICATION OF MEASURES TO CONTROL OR ERADICATE ONE OR MORE  
22 PESTS WITHIN ONE OR MORE OTHER STATES.

23 (c) "RESPONDING STATE" MEANS A STATE REQUESTED TO  
24 UNDERTAKE OR INTENSIFY THE MEASURES REFERRED TO IN SUBDIVISION  
25 (b) OF THIS ARTICLE.

26 (d) "PEST" MEANS ANY INVERTEBRATE ANIMAL, PATHOGEN,  
27 PARASITIC PLANT OR SIMILAR OR ALLIED ORGANISM WHICH CAN CAUSE

1 DISEASE OR DAMAGE IN ANY CROPS, TREES, SHRUBS, GRASSES, OR OTHER  
2 PLANTS OF SUBSTANTIAL VALUE.

3 (e) "INSURANCE FUND" MEANS THE PEST CONTROL INSURANCE  
4 FUND ESTABLISHED PURSUANT TO THIS COMPACT.

5 (f) "GOVERNING BOARD" MEANS THE ADMINISTRATORS OF THIS  
6 COMPACT REPRESENTING ALL OF THE PARTY STATES WHEN SUCH  
7 ADMINISTRATORS ARE ACTING AS A BODY IN PURSUANCE OF AUTHORITY  
8 VESTED IN THEM BY THIS COMPACT.

9 (g) "EXECUTIVE COMMITTEE" MEANS THE COMMITTEE  
10 ESTABLISHED PURSUANT TO ARTICLE V (e) OF THIS COMPACT.

### 11 Article III

#### 12 The Insurance Fund

13 THERE IS HEREBY ESTABLISHED A PEST CONTROL INSURANCE FUND  
14 FOR THE PURPOSE OF FINANCING OTHER THAN NORMAL PEST CONTROL  
15 OPERATIONS WHICH STATES MAY BE CALLED UPON TO ENGAGE IN  
16 PURSUANT TO THIS COMPACT. THE INSURANCE FUND SHALL CONTAIN  
17 MONEYS APPROPRIATED TO IT BY THE PARTY STATES AND ANY DONATIONS  
18 AND GRANTS ACCEPTED BY IT. ALL APPROPRIATIONS, EXCEPT AS  
19 CONDITIONED BY THE RIGHTS AND OBLIGATIONS OF PARTY STATES  
20 EXPRESSLY SET FORTH IN THIS COMPACT, SHALL BE UNCONDITIONAL AND  
21 MAY NOT BE RESTRICTED BY THE APPROPRIATING STATE TO USE IN THE  
22 CONTROL OF ANY SPECIFIED PEST OR PESTS. DONATIONS AND GRANTS MAY  
23 BE CONDITIONAL OR UNCONDITIONAL, PROVIDED THAT THE INSURANCE  
24 FUND SHALL NOT ACCEPT ANY DONATION OR GRANT WHOSE TERMS ARE  
25 INCONSISTENT WITH ANY PROVISION OF THIS COMPACT.

### 26 Article IV

#### 27 The Insurance Fund, Internal Operations and Management

1           (a) THE INSURANCE FUND SHALL BE ADMINISTERED BY A  
2 GOVERNING BOARD AND EXECUTIVE COMMITTEE AS HEREINAFTER  
3 PROVIDED. THE ACTIONS OF THE GOVERNING BOARD AND THE EXECUTIVE  
4 COMMITTEE PURSUANT TO THIS COMPACT SHALL BE DEEMED THE ACTIONS  
5 OF THE INSURANCE FUND.

6           (b) THE MEMBERS OF THE GOVERNING BOARD SHALL BE ENTITLED  
7 TO ONE VOTE ON SUCH BOARD. NO ACTION OF THE GOVERNING BOARD  
8 SHALL BE BINDING UNLESS TAKEN AT A MEETING AT WHICH A MAJORITY OF  
9 THE TOTAL NUMBER OF VOTES ON THE GOVERNING BOARD IS CAST IN  
10 FAVOR THEREOF. ACTION OF THE GOVERNING BOARD SHALL BE ONLY AT  
11 A MEETING AT WHICH A MAJORITY OF THE MEMBERS ARE PRESENT.

12           (c) THE INSURANCE FUND SHALL HAVE A SEAL WHICH MAY BE  
13 EMPLOYED AS AN OFFICIAL SYMBOL AND WHICH MAY BE AFFIXED TO  
14 DOCUMENTS AND OTHERWISE USED AS THE GOVERNING BOARD MAY  
15 PROVIDE.

16           (d) THE GOVERNING BOARD SHALL ELECT ANNUALLY, FROM  
17 AMONG ITS MEMBERS, A CHAIRMAN, A VICE CHAIRMAN, A SECRETARY AND  
18 A TREASURER. THE CHAIRMAN MAY NOT SUCCEED HIMSELF. THE  
19 GOVERNING BOARD MAY APPOINT AN EXECUTIVE DIRECTOR AND FIX HIS  
20 DUTIES AND HIS COMPENSATION, IF ANY. SUCH EXECUTIVE DIRECTOR  
21 SHALL SERVE AT THE PLEASURE OF THE GOVERNING BOARD. THE  
22 GOVERNING BOARD SHALL MAKE PROVISION FOR THE BONDING OF SUCH  
23 OF THE OFFICERS AND EMPLOYEES OF THE INSURANCE FUND AS MAY BE  
24 APPROPRIATE.

25           (e) IRRESPECTIVE OF THE CIVIL SERVICE, PERSONNEL OR OTHER  
26 MERIT SYSTEM LAWS OF ANY OF THE PARTY STATES, THE EXECUTIVE  
27 DIRECTOR, OR IF THERE BE NO EXECUTIVE DIRECTOR, THE CHAIRMAN, IN

1 ACCORDANCE WITH SUCH PROCEDURES AS THE BYLAWS MAY PROVIDE,  
2 SHALL APPOINT, REMOVE OR DISCHARGE SUCH PERSONNEL AS MAY BE  
3 NECESSARY FOR THE PERFORMANCE OF THE FUNCTIONS OF THE INSURANCE  
4 FUND AND SHALL FIX THE DUTIES AND COMPENSATION OF SUCH  
5 PERSONNEL. THE GOVERNING BOARD IN ITS BYLAWS SHALL PROVIDE FOR  
6 THE PERSONNEL POLICIES AND PROGRAMS OF THE INSURANCE FUND.

7 (f) THE INSURANCE FUND MAY BORROW, ACCEPT OR CONTRACT  
8 FOR THE SERVICES OF PERSONNEL FROM ANY STATE, THE UNITED STATES,  
9 OR ANY OTHER GOVERNMENTAL AGENCY, OR FROM ANY PERSON, FIRM,  
10 ASSOCIATION, OR CORPORATION.

11 (g) THE INSURANCE FUND MAY ACCEPT FOR ANY OF ITS PURPOSES  
12 AND FUNCTIONS UNDER THIS COMPACT ANY AND ALL DONATIONS, AND  
13 GRANTS OF MONEY, EQUIPMENT, SUPPLIES, MATERIALS, AND SERVICES,  
14 CONDITIONAL OR OTHERWISE, FROM ANY STATE, THE UNITED STATES, OR  
15 ANY OTHER GOVERNMENTAL AGENCY, OR FROM ANY PERSON, FIRM,  
16 ASSOCIATION, OR CORPORATION, AND MAY RECEIVE, UTILIZE AND DISPOSE  
17 OF THE SAME. ANY DONATION, GIFT, OR GRANT ACCEPTED BY THE  
18 GOVERNING BOARD PURSUANT TO THIS PARAGRAPH OR SERVICES  
19 BORROWED PURSUANT TO PARAGRAPH (f) OF THIS ARTICLE SHALL BE  
20 REPORTED IN THE ANNUAL REPORT OF THE INSURANCE FUND. SUCH  
21 REPORT SHALL INCLUDE THE NATURE, AMOUNT AND CONDITIONS, IF ANY,  
22 OF THE DONATION, GIFT, GRANT, OR SERVICES BORROWED AND THE  
23 IDENTITY OF THE DONOR OR LENDER.

24 (h) THE GOVERNING BOARD SHALL ADOPT BYLAWS FOR THE  
25 CONDUCT OF THE BUSINESS OF THE INSURANCE FUND AND SHALL HAVE  
26 THE POWER TO AMEND AND TO RESCIND THESE BYLAWS. THE INSURANCE  
27 FUND SHALL PUBLISH ITS BYLAWS IN CONVENIENT FORM AND SHALL FILE

1 A COPY THEREOF AND A COPY OF ANY AMENDMENT THERETO WITH THE  
2 APPROPRIATE AGENCY OR OFFICER IN EACH OF THE PARTY STATES.

3 (i) THE INSURANCE FUND ANNUALLY SHALL MAKE TO THE  
4 GOVERNOR AND LEGISLATURE OF EACH PARTY STATE A REPORT COVERING  
5 ITS ACTIVITIES FOR THE PRECEDING YEAR. THE INSURANCE FUND MAY  
6 MAKE SUCH ADDITIONAL REPORTS AS IT MAY DEEM DESIRABLE.

7 (j) IN ADDITION TO THE POWERS AND DUTIES SPECIFICALLY  
8 AUTHORIZED AND IMPOSED, THE INSURANCE FUND MAY DO SUCH OTHER  
9 THINGS AS ARE NECESSARY AND INCIDENTAL TO THE CONDUCT OF ITS  
10 AFFAIRS PURSUANT TO THIS COMPACT.

## 11 Article V

### 12 Compact and Insurance Fund Administration

13 (a) IN EACH PARTY STATE THERE SHALL BE A COMPACT  
14 ADMINISTRATOR, WHO SHALL BE SELECTED AND SERVE IN SUCH MANNER  
15 AS THE LAWS OF HIS STATE MAY PROVIDE, AND WHO SHALL:

16 i. ASSIST IN THE COORDINATION OF ACTIVITIES PURSUANT TO THE  
17 COMPACT IN HIS STATE; AND

18 ii. REPRESENT HIS STATE ON THE GOVERNING BOARD OF THE  
19 INSURANCE FUND.

20 (b) IF THE LAWS OF THE UNITED STATES SPECIFICALLY SO  
21 PROVIDE, OR IF ADMINISTRATIVE PROVISION IS MADE THEREFOR WITHIN  
22 THE FEDERAL GOVERNMENT, THE UNITED STATES MAY BE REPRESENTED  
23 ON THE GOVERNING BOARD OF THE INSURANCE FUND BY NOT TO EXCEED  
24 THREE REPRESENTATIVES. ANY SUCH REPRESENTATIVE OR  
25 REPRESENTATIVES OF THE UNITED STATES SHALL BE APPOINTED AND  
26 SERVE IN SUCH MANNER AS MAY BE PROVIDED BY OR PURSUANT TO  
27 FEDERAL LAW, BUT NO SUCH REPRESENTATIVE SHALL HAVE A VOTE ON

1 THE GOVERNING BOARD OR THE EXECUTIVE COMMITTEE THEREOF.

2 (c) THE GOVERNING BOARD SHALL MEET AT LEAST ONCE EACH  
3 YEAR FOR THE PURPOSE OF DETERMINING POLICIES AND PROCEDURES IN  
4 THE ADMINISTRATION OF THE INSURANCE FUND AND, CONSISTENT WITH  
5 THE PROVISIONS OF THE COMPACT, SUPERVISING AND GIVING DIRECTION  
6 TO THE EXPENDITURE OF MONEYS FROM THE INSURANCE FUND.  
7 ADDITIONAL MEETINGS OF THE GOVERNING BOARD SHALL BE HELD ON  
8 CALL OF THE CHAIRMAN, THE EXECUTIVE COMMITTEE, OR A MAJORITY OF  
9 THE MEMBERSHIP OF THE GOVERNING BOARD.

10 (d) AT SUCH TIMES AS IT MAY BE MEETING, THE GOVERNING  
11 BOARD SHALL PASS UPON APPLICATIONS FOR ASSISTANCE FROM THE  
12 INSURANCE FUND AND AUTHORIZE DISBURSEMENTS THEREFROM. WHEN  
13 THE GOVERNING BOARD IS NOT IN SESSION, THE EXECUTIVE COMMITTEE  
14 THEREOF SHALL ACT AS AGENT OF THE GOVERNING BOARD, WITH FULL  
15 AUTHORITY TO ACT FOR IT IN PASSING UPON SUCH APPLICATIONS.

16 (e) THE EXECUTIVE COMMITTEE SHALL BE COMPOSED OF THE  
17 CHAIRMAN OF THE GOVERNING BOARD AND FOUR ADDITIONAL MEMBERS  
18 OF THE GOVERNING BOARD CHOSEN BY IT SO THAT THERE SHALL BE ONE  
19 MEMBER REPRESENTING EACH OF FOUR GEOGRAPHIC GROUPINGS OF PARTY  
20 STATES. THE GOVERNING BOARD SHALL MAKE SUCH GEOGRAPHIC  
21 GROUPINGS. IF THERE IS REPRESENTATION OF THE UNITED STATES ON THE  
22 GOVERNING BOARD, ONE SUCH REPRESENTATIVE MAY MEET WITH THE  
23 EXECUTIVE COMMITTEE. THE CHAIRMAN OF THE GOVERNING BOARD  
24 SHALL BE CHAIRMAN OF THE EXECUTIVE COMMITTEE. NO ACTION OF THE  
25 EXECUTIVE COMMITTEE SHALL BE BINDING UNLESS TAKEN AT A MEETING  
26 AT WHICH AT LEAST FOUR MEMBERS OF SUCH COMMITTEE ARE PRESENT  
27 AND VOTE IN FAVOR THEREOF. NECESSARY EXPENSES OF EACH OF THE

1 FIVE MEMBERS OF THE EXECUTIVE COMMITTEE INCURRED IN ATTENDING  
2 MEETINGS OF SUCH COMMITTEE, WHEN NOT HELD AT THE SAME TIME AND  
3 PLACE AS A MEETING OF THE GOVERNING BOARD, SHALL BE CHARGES  
4 AGAINST THE INSURANCE FUND.

5 Article VI

6 Assistance and Reimbursement

7 (a) EACH PARTY STATE PLEDGES TO EACH OTHER PARTY STATE  
8 THAT IT WILL EMPLOY ITS BEST EFFORTS TO ERADICATE, OR CONTROL  
9 WITHIN THE STRICTEST PRACTICABLE LIMITS, ANY AND ALL PESTS. IT IS  
10 RECOGNIZED THAT PERFORMANCE OF THIS RESPONSIBILITY INVOLVES:

11 i. THE MAINTENANCE OF PEST CONTROL AND ERADICATION  
12 ACTIVITIES OF INTERSTATE SIGNIFICANCE BY A PARTY STATE AT A LEVEL  
13 THAT WOULD BE REASONABLE FOR ITS OWN PROTECTION IN THE ABSENCE  
14 OF THIS COMPACT.

15 ii. THE MEETING OF EMERGENCY OUTBREAKS OR INFESTATIONS OF  
16 INTERSTATE SIGNIFICANCE TO NO LESS AN EXTENT THAN WOULD HAVE  
17 BEEN DONE IN THE ABSENCE OF THIS COMPACT.

18 (b) WHENEVER A PARTY STATE IS THREATENED BY A PEST NOT  
19 PRESENT WITHIN ITS BORDERS BUT PRESENT WITHIN ANOTHER PARTY  
20 STATE, OR WHENEVER A PARTY STATE IS UNDERTAKING OR ENGAGED IN  
21 ACTIVITIES FOR THE CONTROL OR ERADICATION OF A PEST OR PESTS, AND  
22 FINDS THAT SUCH ACTIVITIES ARE OR WOULD BE IMPRACTICABLE OR  
23 SUBSTANTIALLY MORE DIFFICULT OF SUCCESS BY REASON OF FAILURE OF  
24 ANOTHER PARTY STATE TO COPE WITH INFESTATION OR THREATENED  
25 INFESTATION, THAT STATE MAY REQUEST THE GOVERNING BOARD TO  
26 AUTHORIZE EXPENDITURES FROM THE INSURANCE FUND FOR ERADICATION  
27 OR CONTROL MEASURES TO BE TAKEN BY ONE OR MORE OF SUCH OTHER

1 PARTY STATES AT A LEVEL SUFFICIENT TO PREVENT, OR TO REDUCE TO THE  
2 GREATEST PRACTICABLE EXTENT, INFESTATION OR REINFESTATION OF THE  
3 REQUESTING STATE. UPON SUCH AUTHORIZATION THE RESPONDING STATE  
4 OR STATES SHALL TAKE OR INCREASE SUCH ERADICATION OR CONTROL  
5 MEASURES AS MAY BE WARRANTED. A RESPONDING STATE SHALL USE  
6 MONEYS AVAILABLE FROM THE INSURANCE FUND EXPEDITIOUSLY AND  
7 EFFICIENTLY TO ASSIST IN AFFORDING THE PROTECTION REQUESTED.

8 (c) IN ORDER TO APPLY FOR EXPENDITURES FROM THE INSURANCE  
9 FUND, A REQUESTING STATE SHALL SUBMIT THE FOLLOWING IN WRITING:

10 i. A DETAILED STATEMENT OF THE CIRCUMSTANCES WHICH  
11 OCCASION THE REQUEST FOR THE INVOKING OF THE COMPACT.

12 ii. EVIDENCE THAT THE PEST ON ACCOUNT OF WHOSE ERADICATION  
13 OR CONTROL ASSISTANCE IS REQUESTED CONSTITUTES A DANGER TO AN  
14 AGRICULTURAL OR FOREST CROP, PRODUCT, TREE, SHRUB, GRASS, OR  
15 OTHER PLANT HAVING A SUBSTANTIAL VALUE TO THE REQUESTING STATE.

16 iii. A STATEMENT OF THE EXTENT OF THE PRESENT AND PROJECTED  
17 PROGRAM OF THE REQUESTING STATE AND ITS SUBDIVISIONS, INCLUDING  
18 FULL INFORMATION AS TO THE LEGAL AUTHORITY FOR THE CONDUCT OF  
19 SUCH PROGRAM OR PROGRAMS AND THE EXPENDITURES BEING MADE OR  
20 BUDGETED THEREFOR, IN CONNECTION WITH THE ERADICATION, CONTROL,  
21 OR PREVENTION OF INTRODUCTION OF THE PEST CONCERNED.

22 iv. PROOF THAT THE EXPENDITURES BEING MADE OR BUDGETED AS  
23 DETAILED IN ITEM iii DO NOT CONSTITUTE A REDUCTION OF THE EFFORT  
24 FOR THE CONTROL OR ERADICATION OF THE PEST CONCERNED OR, IF THERE  
25 IS A REDUCTION, THE REASONS WHY THE LEVEL OF PROGRAM DETAILED IN  
26 ITEM iii CONSTITUTES A NORMAL LEVEL OF PEST CONTROL ACTIVITY.

27 v. A DECLARATION AS TO WHETHER, TO THE BEST OF ITS

1 KNOWLEDGE AND BELIEF, THE CONDITIONS WHICH IN ITS VIEW OCCASION  
2 THE INVOKING OF THE COMPACT IN THE PARTICULAR INSTANCE CAN BE  
3 ABATED BY A PROGRAM UNDERTAKEN WITH THE AID OF MONEYS FROM THE  
4 INSURANCE FUND IN ONE YEAR OR LESS, OR WHETHER THE REQUEST IS FOR  
5 AN INSTALLMENT IN A PROGRAM WHICH IS LIKELY TO CONTINUE FOR A  
6 LONGER PERIOD OF TIME.

7 vi. SUCH OTHER INFORMATION AS THE GOVERNING BOARD MAY  
8 REQUIRE CONSISTENT WITH THE PROVISIONS OF THIS COMPACT.

9 (d) THE GOVERNING BOARD OR EXECUTIVE COMMITTEE SHALL  
10 GIVE DUE NOTICE OF ANY MEETING AT WHICH AN APPLICATION FOR  
11 ASSISTANCE FROM THE INSURANCE FUND IS TO BE CONSIDERED. SUCH  
12 NOTICE SHALL BE GIVEN TO THE COMPACT ADMINISTRATOR OF EACH  
13 PARTY STATE AND TO SUCH OTHER OFFICERS AND AGENCIES AS MAY BE  
14 DESIGNATED BY THE LAWS OF THE PARTY STATES. THE REQUESTING STATE  
15 AND ANY OTHER PARTY STATE SHALL BE ENTITLED TO BE REPRESENTED  
16 AND PRESENT EVIDENCE AND ARGUMENT AT SUCH MEETING.

17 (e) UPON THE SUBMISSION AS REQUIRED BY PARAGRAPH (c) OF  
18 THIS ARTICLE AND SUCH OTHER INFORMATION AS IT MAY HAVE OR  
19 ACQUIRE, AND UPON DETERMINING THAT AN EXPENDITURE OF FUNDS IS  
20 WITHIN THE PURPOSES OF THIS COMPACT AND JUSTIFIED THEREBY, THE  
21 GOVERNING BOARD OR EXECUTIVE COMMITTEE SHALL AUTHORIZE  
22 SUPPORT OF THE PROGRAM. THE GOVERNING BOARD OR EXECUTIVE  
23 COMMITTEE MAY MEET AT ANY TIME OR PLACE FOR THE PURPOSE OF  
24 RECEIVING AND CONSIDERING AN APPLICATION. ANY AND ALL  
25 DETERMINATIONS OF THE GOVERNING BOARD OR EXECUTIVE COMMITTEE,  
26 WITH RESPECT TO AN APPLICATION, TOGETHER WITH THE REASONS  
27 THEREFOR SHALL BE RECORDED AND SUBSCRIBED IN SUCH MANNER AS TO

1 SHOW AND PRESERVE THE VOTES OF THE INDIVIDUAL MEMBERS THEREOF.

2 (f) A REQUESTING STATE WHICH IS DISSATISFIED WITH A  
3 DETERMINATION OF THE EXECUTIVE COMMITTEE SHALL UPON NOTICE IN  
4 WRITING GIVEN WITHIN TWENTY DAYS OF THE DETERMINATION WITH  
5 WHICH IT IS DISSATISFIED, BE ENTITLED TO RECEIVE A REVIEW THEREOF AT  
6 THE NEXT MEETING OF THE GOVERNING BOARD. DETERMINATIONS OF THE  
7 EXECUTIVE COMMITTEE SHALL BE REVIEWABLE ONLY BY THE GOVERNING  
8 BOARD AT ONE OF ITS REGULAR MEETINGS, OR AT A SPECIAL MEETING  
9 HELD IN SUCH MANNER AS THE GOVERNING BOARD MAY AUTHORIZE.

10 (g) RESPONDING STATES REQUIRED TO UNDERTAKE OR INCREASE  
11 MEASURES PURSUANT TO THIS COMPACT MAY RECEIVE MONEYS FROM THE  
12 INSURANCE FUND, EITHER AT THE TIME OR TIMES WHEN SUCH STATE  
13 INCURS EXPENDITURES ON ACCOUNT OF SUCH MEASURES, OR AS  
14 REIMBURSEMENT FOR EXPENSES INCURRED AND CHARGEABLE TO THE  
15 INSURANCE FUND. THE GOVERNING BOARD SHALL ADOPT AND, FROM  
16 TIME TO TIME, MAY AMEND OR REVISE PROCEDURES FOR SUBMISSION OF  
17 CLAIMS UPON IT AND FOR PAYMENT THEREOF.

18 (h) BEFORE AUTHORIZING THE EXPENDITURE OF MONEYS FROM  
19 THE INSURANCE FUND PURSUANT TO AN APPLICATION OF A REQUESTING  
20 STATE, THE INSURANCE FUND SHALL ASCERTAIN THE EXTENT AND NATURE  
21 OF ANY TIMELY ASSISTANCE OR PARTICIPATION WHICH MAY BE AVAILABLE  
22 FROM THE FEDERAL GOVERNMENT AND SHALL REQUEST THE APPROPRIATE  
23 AGENCY OR AGENCIES OF THE FEDERAL GOVERNMENT FOR SUCH  
24 ASSISTANCE AND PARTICIPATION.

25 (i) THE INSURANCE FUND MAY NEGOTIATE AND EXECUTE A  
26 MEMORANDUM OF UNDERSTANDING OR OTHER APPROPRIATE INSTRUMENT  
27 DEFINING THE EXTENT AND DEGREE OF ASSISTANCE OR PARTICIPATION

1 BETWEEN AND AMONG THE INSURANCE FUND, COOPERATING FEDERAL  
2 AGENCIES, STATES, AND ANY OTHER ENTITIES CONCERNED.

3 Article VII

4 Advisory and Technical Committees

5 THE GOVERNING BOARD MAY ESTABLISH ADVISORY AND  
6 TECHNICAL COMMITTEES COMPOSED OF STATE, LOCAL, AND FEDERAL  
7 OFFICIALS, AND PRIVATE PERSONS TO ADVISE IT WITH RESPECT TO ANY ONE  
8 OR MORE OF ITS FUNCTIONS. ANY SUCH ADVISORY OR TECHNICAL  
9 COMMITTEE, OR ANY MEMBER OR MEMBERS THEREOF MAY MEET WITH AND  
10 PARTICIPATE IN ITS DELIBERATIONS UPON REQUEST OF THE GOVERNING  
11 BOARD OR EXECUTIVE COMMITTEE. AN ADVISORY OR TECHNICAL  
12 COMMITTEE MAY FURNISH INFORMATION AND RECOMMENDATIONS WITH  
13 RESPECT TO ANY APPLICATION FOR ASSISTANCE FROM THE INSURANCE  
14 FUND BEING CONSIDERED BY SUCH BOARD OR COMMITTEE AND THE  
15 BOARD OR COMMITTEE MAY RECEIVE AND CONSIDER THE SAME: PROVIDED  
16 THAT ANY PARTICIPANT IN A MEETING OF THE GOVERNING BOARD OR  
17 EXECUTIVE COMMITTEE HELD PURSUANT TO ARTICLE VI (d) OF THE  
18 COMPACT SHALL BE ENTITLED TO KNOW THE SUBSTANCE OF ANY SUCH  
19 INFORMATION AND RECOMMENDATIONS, AT THE TIME OF THE MEETING IF  
20 MADE PRIOR THERETO OR AS A PART THEREOF OR, IF MADE THEREAFTER,  
21 NO LATER THAN THE TIME AT WHICH THE GOVERNING BOARD OR  
22 EXECUTIVE COMMITTEE MAKES ITS DISPOSITION OF THE APPLICATION.

23 Article VIII

24 Relations with Nonparty Jurisdictions

25 (a) A PARTY STATE MAY MAKE APPLICATION FOR ASSISTANCE  
26 FROM THE INSURANCE FUND IN RESPECT OF A PEST IN A NONPARTY STATE.  
27 SUCH APPLICATION SHALL BE CONSIDERED AND DISPOSED OF BY THE

1 GOVERNING BOARD OR EXECUTIVE COMMITTEE IN THE SAME MANNER AS  
2 AN APPLICATION WITH RESPECT TO A PEST WITHIN A PARTY STATE, EXCEPT  
3 AS PROVIDED IN THIS ARTICLE.

4 (b) AT OR IN CONNECTION WITH ANY MEETING OF THE GOVERNING  
5 BOARD OR EXECUTIVE COMMITTEE HELD PURSUANT TO ARTICLE VI (d)  
6 OF THIS COMPACT A NONPARTY STATE SHALL BE ENTITLED TO APPEAR,  
7 PARTICIPATE, AND RECEIVE INFORMATION ONLY TO SUCH EXTENT AS THE  
8 GOVERNING BOARD OR EXECUTIVE COMMITTEE MAY PROVIDE. A  
9 NONPARTY STATE SHALL NOT BE ENTITLED TO REVIEW OF ANY  
10 DETERMINATION MADE BY THE EXECUTIVE COMMITTEE.

11 (c) THE GOVERNING BOARD OR EXECUTIVE COMMITTEE SHALL  
12 AUTHORIZE EXPENDITURES FROM THE INSURANCE FUND TO BE MADE IN A  
13 NONPARTY STATE ONLY AFTER DETERMINING THAT THE CONDITIONS IN  
14 SUCH STATE AND THE VALUE OF SUCH EXPENDITURES TO THE PARTY  
15 STATES AS A WHOLE JUSTIFY THEM. THE GOVERNING BOARD OR  
16 EXECUTIVE COMMITTEE MAY SET ANY CONDITIONS WHICH IT DEEMS  
17 APPROPRIATE WITH RESPECT TO THE EXPENDITURE OF MONEYS FROM THE  
18 INSURANCE FUND IN A NONPARTY STATE AND MAY ENTER INTO SUCH  
19 AGREEMENT OR AGREEMENTS WITH NONPARTY STATES AND OTHER  
20 JURISDICTIONS OR ENTITIES AS IT MAY DEEM NECESSARY OR APPROPRIATE  
21 TO PROTECT THE INTERESTS OF THE INSURANCE FUND WITH RESPECT TO  
22 EXPENDITURES AND ACTIVITIES OUTSIDE OF PARTY STATES.

## 23 Article IX

### 24 Finance

25 (a) THE INSURANCE FUND SHALL SUBMIT TO THE EXECUTIVE HEAD  
26 OR DESIGNATED OFFICER OR OFFICERS OF EACH PARTY STATE A BUDGET  
27 FOR THE INSURANCE FUND FOR SUCH PERIOD AS MAY BE REQUIRED BY THE

1 LAWS OF THAT PARTY STATE FOR A PRESENTATION TO THE LEGISLATURE  
2 THEREOF.

3 (b) EACH OF THE BUDGETS SHALL CONTAIN SPECIFIC  
4 RECOMMENDATIONS OF THE AMOUNT OR AMOUNTS TO BE APPROPRIATED  
5 BY EACH OF THE PARTY STATES. THE REQUEST FOR APPROPRIATIONS  
6 SHALL BE APPORTIONED AMONG THE PARTY STATES AS FOLLOWS:  
7 ONE-TENTH OF THE TOTAL BUDGET IN EQUAL SHARES AND THE REMAINDER  
8 IN PROPORTION TO THE VALUE OF AGRICULTURAL AND FOREST CROPS AND  
9 PRODUCTS, EXCLUDING ANIMALS AND ANIMAL PRODUCTS, PRODUCED IN  
10 EACH PARTY STATE. IN DETERMINING THE VALUE OF SUCH CROPS AND  
11 PRODUCTS THE INSURANCE FUND MAY EMPLOY SUCH SOURCE OR SOURCES  
12 OF INFORMATION AS IN ITS JUDGMENT PRESENT THE MOST EQUITABLE AND  
13 ACCURATE COMPARISONS AMONG THE PARTY STATES. EACH OF THE  
14 BUDGETS AND REQUESTS FOR APPROPRIATIONS SHALL INDICATE THE  
15 SOURCE OR SOURCES USED IN OBTAINING INFORMATION CONCERNING  
16 VALUE OF PRODUCTS.

17 (c) THE FINANCIAL ASSETS OF THE INSURANCE FUND SHALL BE  
18 MAINTAINED IN TWO ACCOUNTS TO BE DESIGNATED RESPECTIVELY AS THE  
19 "OPERATING ACCOUNT" AND THE "CLAIMS ACCOUNT." THE OPERATING  
20 ACCOUNT SHALL CONSIST ONLY OF THOSE ASSETS NECESSARY FOR THE  
21 ADMINISTRATION OF THE INSURANCE FUND DURING THE NEXT ENSUING  
22 TWO-YEAR PERIOD. THE CLAIMS ACCOUNT SHALL CONTAIN ALL MONEYS  
23 NOT INCLUDED IN THE OPERATING ACCOUNT AND SHALL NOT EXCEED THE  
24 AMOUNT REASONABLY ESTIMATED TO BE SUFFICIENT TO PAY ALL  
25 LEGITIMATE CLAIMS ON THE INSURANCE FUND FOR A PERIOD OF THREE  
26 YEARS. AT ANY TIME WHEN THE CLAIMS ACCOUNT HAS REACHED ITS  
27 MAXIMUM LIMIT OR WOULD REACH ITS MAXIMUM LIMIT BY THE ADDITION

1 OF MONEYS REQUESTED FOR APPROPRIATION BY THE PARTY STATES, THE  
2 GOVERNING BOARD SHALL REDUCE ITS BUDGET REQUESTS ON A PRORATA  
3 BASIS IN SUCH MANNER AS TO KEEP THE CLAIMS ACCOUNT WITHIN SUCH  
4 MAXIMUM LIMIT. ANY MONEYS IN THE CLAIMS ACCOUNT BY VIRTUE OF  
5 CONDITIONAL DONATIONS, GRANTS, OR GIFTS SHALL BE INCLUDED IN  
6 CALCULATIONS MADE PURSUANT TO THIS PARAGRAPH ONLY TO THE  
7 EXTENT THAT SUCH MONEYS ARE AVAILABLE TO MEET DEMANDS ARISING  
8 OUT OF THE CLAIMS.

9 (d) THE INSURANCE FUND SHALL NOT PLEDGE THE CREDIT OF ANY  
10 PARTY STATE. THE INSURANCE FUND MAY MEET ANY OF ITS OBLIGATIONS  
11 IN WHOLE OR IN PART WITH MONEYS AVAILABLE TO IT UNDER ARTICLE IV  
12 (g) OF THIS COMPACT, PROVIDED THAT THE GOVERNING BOARD TAKE  
13 SPECIFIC ACTION SETTING ASIDE SUCH MONEYS PRIOR TO INCURRING ANY  
14 OBLIGATION TO BE MET IN WHOLE OR IN PART IN SUCH MANNER. EXCEPT  
15 WHERE THE INSURANCE FUND MAKES USE OF MONEYS AVAILABLE TO IT  
16 UNDER ARTICLE IV (g) HEREOF, THE INSURANCE FUND SHALL NOT INCUR  
17 ANY OBLIGATION PRIOR TO THE ALLOTMENT OF MONEYS BY THE PARTY  
18 STATES ADEQUATE TO MEET THE SAME.

19 (e) THE INSURANCE FUND SHALL KEEP ACCURATE ACCOUNTS OF  
20 ALL RECEIPTS AND DISBURSEMENTS. THE RECEIPTS AND DISBURSEMENTS  
21 OF THE INSURANCE FUND SHALL BE SUBJECT TO THE AUDIT AND  
22 ACCOUNTING PROCEDURES ESTABLISHED UNDER ITS BYLAWS. HOWEVER,  
23 ALL RECEIPTS AND DISBURSEMENTS OF FUNDS HANDLED BY THE  
24 INSURANCE FUND SHALL BE AUDITED YEARLY BY A CERTIFIED ■ ■  
25 PUBLIC ACCOUNTANT AND REPORT OF THE AUDIT SHALL BE INCLUDED IN  
26 AND BECOME PART OF THE ANNUAL REPORT OF THE INSURANCE FUND.

27 (f) THE ACCOUNTS OF THE INSURANCE FUND SHALL BE OPEN AT

1 ANY REASONABLE TIME FOR INSPECTION BY DULY AUTHORIZED OFFICERS  
2 OF THE PARTY STATES AND BY ANY PERSONS AUTHORIZED BY THE  
3 INSURANCE FUND.

#### 4 Article X

##### 5 Entry Into Force and Withdrawal

6 (a) THIS COMPACT SHALL ENTER INTO FORCE WHEN ENACTED INTO  
7 LAW BY ANY FIVE OR MORE STATES. THEREAFTER, THIS COMPACT SHALL  
8 BECOME EFFECTIVE AS TO ANY OTHER STATE UPON ITS ENACTMENT  
9 THEREOF.

10 (b) ANY PARTY STATE MAY WITHDRAW FROM THIS COMPACT BY  
11 ENACTING A STATUTE REPEALING THE SAME, BUT NO SUCH WITHDRAWAL  
12 SHALL TAKE EFFECT UNTIL TWO YEARS AFTER THE EXECUTIVE HEAD OF  
13 THE WITHDRAWING STATE HAS GIVEN NOTICE IN WRITING OF THE  
14 WITHDRAWAL TO THE EXECUTIVE HEADS OF ALL OTHER PARTY STATES.  
15 NO WITHDRAWAL SHALL AFFECT ANY LIABILITY ALREADY INCURRED BY  
16 OR CHARGEABLE TO A PARTY STATE PRIOR TO THE TIME OF SUCH  
17 WITHDRAWAL.

#### 18 Article XI

##### 19 Construction and Severability

20 (1) THIS COMPACT SHALL BE LIBERALLY CONSTRUED SO AS TO  
21 EFFECTUATE THE PURPOSES THEREOF. THE PROVISIONS OF THIS COMPACT  
22 SHALL BE SEVERABLE AND IF ANY PHRASE, CLAUSE, SENTENCE, OR  
23 PROVISION OF THIS COMPACT IS DECLARED TO BE CONTRARY TO THE  
24 CONSTITUTION OF ANY STATE OR OF THE UNITED STATES OR THE  
25 APPLICABILITY THEREOF TO ANY GOVERNMENT, AGENCY, PERSON, OR  
26 CIRCUMSTANCE IS HELD INVALID, THE VALIDITY OF THE REMAINDER OF  
27 THIS COMPACT AND THE APPLICABILITY THEREOF TO ANY GOVERNMENT,

1 AGENCY, PERSON, OR CIRCUMSTANCE SHALL NOT BE AFFECTED THEREBY.  
2 IF THIS COMPACT SHALL BE HELD CONTRARY TO THE CONSTITUTION OF  
3 ANY STATE PARTICIPATING HEREIN THE COMPACT SHALL REMAIN IN FULL  
4 FORCE AND EFFECT AS TO THE REMAINING PARTY STATES AND IN FULL  
5 FORCE AND EFFECT AS TO THE STATE AFFECTED AS TO ALL SEVERABLE  
6 MATTERS.

7 (2) CONSISTENT WITH LAW AND WITHIN AVAILABLE  
8 APPROPRIATIONS, THE DEPARTMENTS, AGENCIES AND OFFICERS OF THIS  
9 STATE MAY COOPERATE WITH THE INSURANCE FUND ESTABLISHED BY THE  
10 PEST CONTROL COMPACT.

11 (3) PURSUANT TO ARTICLE IV (h) OF THE COMPACT, COPIES OF  
12 BYLAWS AND AMENDMENTS THERETO SHALL BE FILED WITH THE  
13 COMMISSIONER OF AGRICULTURE.

14 (4) THE COMPACT ADMINISTRATOR FOR THIS STATE SHALL BE THE  
15 COMMISSIONER OF AGRICULTURE APPOINTED BY THE GOVERNOR. THE  
16 DUTIES OF THE COMPACT ADMINISTRATOR SHALL BE DEEMED A REGULAR  
17 PART OF THE DUTIES OF THIS OFFICE.

18 (5) WITHIN THE MEANING OF ARTICLE VI (b) OR VIII (a), A  
19 REQUEST OR APPLICATION FOR ASSISTANCE FROM THE INSURANCE FUND  
20 MAY BE MADE BY THE COMMISSIONER OF AGRICULTURE WHENEVER IN HIS  
21 JUDGMENT THE CONDITIONS QUALIFYING THIS STATE FOR SUCH  
22 ASSISTANCE EXIST AND IT WOULD BE IN THE BEST INTEREST OF THIS STATE  
23 TO MAKE SUCH REQUEST.

24 (6) THE DEPARTMENT, AGENCY, OR OFFICER EXPENDING OR  
25 BECOMING LIABLE FOR AN EXPENDITURE ON ACCOUNT OF A CONTROL OR  
26 ERADICATION PROGRAM UNDERTAKEN OR INTENSIFIED PURSUANT TO THE  
27 COMPACT SHALL HAVE CREDITED TO HIS ACCOUNT, IN THE STATE

1       TREASURY THE AMOUNT OR AMOUNTS OF ANY PAYMENTS MADE TO THIS  
2       STATE TO DEFRAY THE COST OF SUCH PROGRAM, OR ANY PART THEREOF,  
3       OR AS REIMBURSEMENT THEREOF.

4               (7) AS USED IN THIS COMPACT, WITH REFERENCE TO THIS STATE,  
5       THE TERM "EXECUTIVE HEAD" SHALL MEAN THE GOVERNOR.

6               **35-4.5-102. When compact effective.** THIS ARTICLE AND THE  
7       COMPACT CONTAINED HEREIN SHALL TAKE EFFECT ON JULY 1, 2007.

8               **SECTION 8. Effective date.** This act shall take effect July 1,  
9       2007.

10              **SECTION 9. Safety clause.** The general assembly hereby finds,  
11       determines, and declares that this act is necessary for the immediate  
12       preservation of the public peace, health, and safety.