

HOUSE BILL 190

Introduced by R. Debruycker

1/15	Introduced
1/15	Referred to Agriculture, Livestock & Irrig.
1/16	First Reading
1/16	Fiscal Note Requested
1/21	Fiscal Note Received
1/22	Fiscal Note Printed
1/23	Hearing
1/23	Tabled in Committee

1 HOUSE BILL NO. 190
 2 INTRODUCED BY Reginald Brumby

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE METHOD OF
 5 DISTRIBUTION OF NOXIOUS WEED FEES BY REQUIRING THAT A
 6 PERCENTAGE OF HERBICIDE SURCHARGE FEES AND A PERCENTAGE OF
 7 MOTOR VEHICLE REGISTRATION WEED CONTROL FEES BE PLACED IN
 8 THE COUNTY GENERAL FUND FOR EXCLUSIVE USE BY THE COUNTY FOR
 9 NOXIOUS WEED CONTROL AND RESEARCH; REVISING THE DEFINITION
 10 OF HERBICIDE; AMENDING SECTIONS 80-7-801, 80-7-810,
 11 80-7-812, AND 80-7-814, MCA; AND PROVIDING AN EFFECTIVE DATE
 12 AND AN APPLICABILITY DATE."

13
 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 **Section 1.** Section 80-7-801, MCA, is amended to read:

16 "**80-7-801. Definitions.** As used in this part, the
 17 following definitions apply:

18 (1) "Department" means the department of agriculture
 19 established in 2-15-3001.

20 (2) "Herbicide" means a substance or mixture of
 21 substances for preventing, destroying, repelling, or
 22 mitigating any weed, as defined in 80-8-102. ~~The term does~~
 23 ~~not include herbicides labeled only for home yard or~~
 24 ~~garden use and sold in containers of less than 10 pounds or~~
 25 ~~1 gallon.~~

1 (3) "Noxious weed" means any weed defined and
 2 designated as a noxious weed by rule of the department.

3 (4) "Retail value" means the suggested or retail price
 4 to the consumer of a given herbicide as established by the
 5 registrant, or as determined by a survey of dealers
 6 conducted by the department.

7 (5) "Sale" includes only the sale of a herbicide to an
 8 applicator or consumer. Sales between or to distributors,
 9 dealers, or retailers are not included."

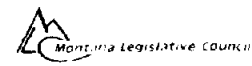
10 **Section 2.** Section 80-7-812, MCA, is amended to read:

11 "**80-7-812. Surcharge imposed on retail sales of**
 12 **herbicides -- disposition of proceeds.** (1) There is imposed
 13 a surcharge of 1 cent per dollar of the retail value of all
 14 registered herbicides sold for consumer use in the state.
 15 The volume of sales of each registered herbicide must be
 16 determined by the department from records required of
 17 pesticide dealers and retailers.

18 (2) The surcharge must be collected by the department
 19 on an annual calendar basis from the registrant of the
 20 herbicide and is due and payable within 30 days after notice
 21 of the amount has been given to the registrant.

22 (3) No registrant may be allowed to reregister a
 23 herbicide if he has failed to pay in full the surcharge on
 24 his product.

25 (4) (a) he department may expend or commit not more



1 than one-half 30% of the expendable annual proceeds of the
2 surcharge as provided in 80-7-814(2) and (3).

3 (b) Seventy percent of the expendable annual proceeds
4 must be returned to the county general fund of each county
5 and may be expended in the manner provided in 80-7-814(4).

6 (c) All--remaining One-half of the annual proceeds of
7 the surcharge and any interest income collected must be
8 deposited into the noxious weed management trust fund."

9 **Section 3.** Section 80-7-810, MCA, is amended to read:

10 "**80-7-810. Disposition of proceeds.** (1) Three percent
11 of the proceeds from the fee imposed in 61-3-510 may be
12 retained by the county treasurer for costs of collection.

13 (2) The Thirty percent of the remainder must be
14 deposited in the special revenue fund and must be expended
15 as provided in 80-7-814(2) and (3). Twenty-five percent of
16 the money deposited in the special revenue fund under this
17 section must be used for research and development of
18 nonchemical methods of weed management.

19 (3) Seventy percent of the remainder must be divided
20 among Montana counties in the proportion that miles of
21 public roads in each county compose the total miles of state
22 public roads. The funds must be deposited in each county
23 general fund and may be appropriated by the board of county
24 commissioners to be used exclusively for county weed control
25 and research purposes. A county is eligible to receive funds

1 under this subsection only if the county has funded its own
2 weed management program with a levy in an amount not less
3 than 1.6 mills or an equivalent amount from another source
4 or by an amount of not less than \$100,000 for first class
5 counties, as defined in 7-1-2111."

6 **Section 4.** Section 80-7-814, MCA, is amended to read:

7 "**80-7-814. Administration and expenditure of funds.** (1)
8 Money deposited in the noxious weed management trust fund
9 may not be committed or expended until the principal reaches
10 \$2,500,000, except as provided by 80-7-815 in case of a
11 noxious weed emergency. Once this amount is accumulated, any
12 interest or revenue generated by the trust fund and by other
13 funding measures provided by this part must be deposited in
14 the special revenue fund and may be expended for noxious
15 weed management projects in accordance with this section, so
16 long as the principal of the trust fund remains at least
17 \$2,500,000.

18 (2) The department may expend funds 30% of the
19 expendable principal under this section through grants or
20 contracts to communities, weed control districts, or other
21 entities it considers appropriate for noxious weed
22 management projects. A project is eligible to receive funds
23 only if the county in which the project occurs has funded
24 its own weed management program with a levy in an amount not
25 less than 1.6 mills or an equivalent amount from another

1 source or by an amount of not less than \$100,000 for first
2 class counties, as defined in 7-1-2111.

3 (3) The department may expend funds without the
4 restrictions specified in subsection (2) for the following:

5 (a) employment of a new and innovative noxious weed
6 management project or the development, implementation, or
7 demonstration of any noxious weed management project that
8 may be proposed, implemented, or established by local,
9 state, or national organizations, whether public or private.
10 Such expenditures must be on a cost-share basis with such
11 organizations.

12 (b) cost-share noxious weed management programs with
13 local weed control districts;

14 (c) special grants to local weed control districts to
15 eradicate or contain significant noxious weeds newly
16 introduced into the county. These grants may be issued
17 without matching funds from the district.

18 (d) costs of collecting the surcharge imposed by
19 80-7-812, not to exceed 3% of the total surcharge proceeds;

20 (e) administrative expenses incurred by the noxious
21 weed management advisory council; and

22 (f) any project recommended by the noxious weed
23 management advisory council, if the department determines
24 the project will significantly contribute to the management
25 of noxious weeds within the state.

1 (4) The remaining 70% of the expendable principal under
2 this section must be returned to the county general fund of
3 each county in which the herbicide surcharge was collected
4 in the proportion that county contributed to the total
5 annual surcharge proceeds. The proceeds may be appropriated
6 by the board of county commissioners and must be used
7 exclusively for county weed control and research purposes. A
8 county is eligible to receive funds under this subsection
9 only if the county has funded its own weed management
10 program with a levy in an amount not less than 1.6 mills or
11 an equivalent amount from another source or by an amount of
12 not less than \$100,000 for first class counties, as defined
13 in 7-1-2111.

14 ~~(4)~~(5) In making such expenditures, the department must
15 give preference to weed control districts and community
16 groups.

17 ~~(5)~~(6) If the noxious weed management trust fund is
18 terminated by law, the money in the fund must be divided
19 between all counties according to rules adopted by the
20 department for that purpose."

21 NEW SECTION. Section 5. Effective date --
22 applicability. [This act] is effective July 1, 1991, and
23 applies to herbicide surcharge fees and motor vehicle
24 registration weed control fees collected on or after July 1,
25 1991.

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0190, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


The proposed bill: 1) allocates 70% of the motor vehicle registration weed control fees to the counties; 2) allocates 35% of the herbicide surcharge fees to counties; and 3) includes herbicides used for home, yard, or garden within the definition of herbicides subject to the 1% surcharge imposed on the retail sale of herbicides.

ASSUMPTIONS:

1. 1,600 retailers sell home, yard, garden-use herbicides.
2. Record keeping requirements will be enacted by law/rule.
3. There are 150,826 gallons @ \$26 per gallon of herbicides sold per year with a dollar value of \$3,921,476. The 1% surcharge will generate \$39,215 per year.
4. There are 1,211,266 lbs @ \$1.25 per pound of herbicides sold per year with a dollar value of \$1,514,033. The 1% surcharge will yield \$15,140 per year.
5. Total surcharge revenue collected per year will be \$54,355. These revenues will be allocated as follows:
 - 1/2 to Noxious Weed Trust Fund = \$27,178
 - 30% of other half to department = \$ 8,153
 - 70% of other half to counties = \$19,024
6. The Department will determine how the \$19,024 is divided among the 56 counties.
7. The noxious weed trust fund will not reach the statutory limitation of \$2.5 million until June 30, 1993 or later. Use of interest from \$2.5 million trust is not included in FY 92-93 budget or revenue calculations. The increase to the trust fund will be \$27,178 per year.
8. Funding required to administer home, yard and garden-use herbicide provisions of bill will be derived from surcharge and vehicle fees.
9. An additional 2.35 FTE will be needed to implement home, yard and garden-use herbicide surcharge program (2 Grade 13 FTE for personnel services of \$51,672 and 0.35 FTE Grade 8 for personnel services of \$5,906). Operating expenses will be \$16,499 for rules, printing forms, printing supplies, communications, travel, rent, repairs, other.
10. The current level 1.92 FTE and operational costs remain unchanged.
11. Department grants/contracts will be primarily for research on biological agents with remaining grant monies used for administration by Department.
12. Loss of state special indirect charges to the Central Management Division will be \$5,931 in FY92 and \$5,887 in FY93 and general fund will be increased by a like amount.

FISCAL IMPACT:

see next page


ROD SUNDSTED, BUDGET DIRECTOR
Office of Budget and Program Planning

1-19-91
DATE

ROGER DEBRUYCKER, PRIMARY SPONSOR

DATE

Fiscal Note for HB0190, as introduced

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FISCAL IMPACT:

Department of Agriculture, Environmental Management Division:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	1.92	4.27	2.35	1.92	4.27	2.35
Personal Services	52,931	110,509	57,578	52,931	110,509	57,578
Operating Costs	27,074	43,573	16,499	27,074	43,573	16,499
Grants	1,266,203	242,686	(1,023,517)	1,266,203	242,642	(1,023,561)
Transfer to Counties	0	963,524	963,524	0	963,524	963,524
CMD Indirect	<u>33,749</u>	<u>27,818</u>	<u>(5,931)</u>	<u>33,749</u>	<u>27,862</u>	<u>(5,887)</u>
Total	1,379,957	1,388,110	8,153	1,379,957	1,388,110	8,153
<u>Funding:</u>						
Noxious Weed Surcharge (02)	200,474	200,474	0	200,474	200,474	0
Vehicle Weed Fee (02)	1,179,483	1,179,483	0	1,179,483	1,179,483	0
Retail Herbicide Sur. (02)	<u>0</u>	<u>8,153</u>	<u>8,153</u>	<u>0</u>	<u>8,153</u>	<u>8,153</u>
Total	1,379,957	1,388,110	8,153	1,379,957	1,388,110	8,153
General Fund Impact	0	5,931	5,931	0	5,931	5,931

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The counties will receive approximately \$985,000 (to be divided among the 56 counties) for noxious weed control. Some counties will receive less than their current noxious weed community project grants.

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