

3/15/1977

MINUTES OF THE MEETING OF  
HOUSE AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE  
MONTANA HOUSE OF REPRESENTATIVES

March 15, 1977  
10:05 a.m.  
Rm. 436  
State Capitol Bldg.

The meeting was called to order by Chairman Day, with all members present except, Representatives Davis and Severson.

Senator Jergeson, chief sponsor of SB 49, explained that this bill was a request from the Department of Livestock, giving them the authority to apply for an allowing the court to grant a temporary or permanent injunction. Section 2, the injunctive remedy, to protect the buying of livestock by fly-by-night operators. The court shall enjoin a person from further activities as a livestock dealer until the license and bond have been properly obtained.

PROONENTS:

Mr. Charles Brown, staff attorney, Department of Livestock, stated that their request for SB 49, was to give them a little more control in some difficult circumstances when dealing with persons buying livestock without a license. He gave an example of a person who thought a man was a dealer and sold his cattle to that man and now is holding a \$72,000 check that is no good. The only thing that could be done to this person was to fine him. This bill would allow them to obtain a court order against the man. The department will need solid evidence before involving the court, but the present law won't allow them to take the violators to court.

Mr. Mons Teigen, Montana Stockgrowers and Montana Woolgrowers, stated that he was aware of the situations of livestock dealers operating without a license and the need to stop them. Giving the authority to the department is badly needed.

OPPONENTS: None

Representative Ellerd asked if serving an injunction on an illegal dealer would help, and how hard would it be to keep track of him? Mr. Brown replied, if an injunction were served and ignored the person would be charged with contempt of court and subject to a \$500 fine. Representative Ellerd questioned if this bill would be enough to handle the problem.

Hearing on SB 49, was closed.

Senator Jergeson, chief sponsor of SB 189, explained that this bill defined a livestock dealer and excluded organizations of producers organized under the Capper-Volstead Act from being a livestock dealer. He stated that this bill was drafted after the senate committee heard SB 49, so it would not be used against these organizations.

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PROPOSAL:

Mr. Ralph Parker, Department of Livestock, stated that the NFO worked as an agent for the buying and selling of livestock and did not actually handle the cattle or buy them for their own use. They wanted to be exempt from becoming a dealer, which was the purpose of this bill.

OPPOSERS:

Representative Ellerd, stated that the NFO acted as a dealer operator and should be classified with the dealers. He felt they should have to comply with the Department of Livestock and buy a license for \$25. He stated that they buy and sell and should not be exempt.

Senator Jergeson closed by stating that if Representative Ellerd felt the organizations should come under this a different bill would be necessary. By killing SB 189, requiring them to purchase a dealers license would not be accomplished. He concluded by stating that the NFO worked as a middle man agent more than an actual dealer.

Representative Conroy stated that his experiences with the NFO were, they sold his cattle and as far as he knew they had never sold to anyone who was not a licensed dealer. He then asked if they had ever sold to an unlicensed dealer? Senator Jergeson replied, not that he knew of.

Representative Bengtson asked what kind of a fee was charged for a dealers license? Mr. Brown replied, the license was \$25 and they were required to be bonded for a minimum of \$5,000.

Representative Ellerd concluded that they would have to issue a financial statement to acquire a dealers license and they do not want to do that.

The hearing of SB 189, was closed.

Chairman Day presented an amendment to SB 131, which had been heard on an earlier date. He stated that he had talked with Senator McComber, sponsor of SB 131, and he had agreed to the amendments. The reason for these amendments were that some of the districts do not have their organizational meeting following the election. These amendments would allow them 40 days to have their organizational meeting and the commissioners would take office on the date of the organizational meeting. (amendments attached)

EXECUTIVE SESSION:

Representative Johnston moved the adoption of the amendments to SB 131. Representative Staigmiller seconded the motion. The motion was passed unanimously.

Representative Staigmiller moved SB 131, be concurred in as amended. It was seconded by Representative Johnston. The motion was passed unanimously.

Chairman Day announced that Dr. Halver was present to comment on SB 373, which had been heard on March 8th, leaving the committee confused.

Dr. Glen Halver, Department of Livestock, State Veterinarian, explained that the Animal Health Division of the Department of Livestock negotiated with the Milk Control Board, for the value content of the milk. This bill will establish the testing of the milkfat value for the producer.

Representative Bengtson asked if the producers knew about the assessment being put on them for this test? Mr. Ralph Parker, Department of Livestock, stated that the producers were the ones who had requested this bill. The testing by the Animal Health Division had been discontinued because of the economic measures involved so the producers requested it be done again at their expense. All the dairymen are in favor of the bill.

Representative Curtiss asked if the Animal Health Division was set up now to handle these tests? Mr. Parker replied some additional testing equipment would be needed, but the assessment will be on the dairy industry. No money will come out of the state general fund.

Representative Ellerd stated that the producer will pay the bill but the state will do the testing.

Representative Gunderson asked if there would be a labor problem, and if additional help would be needed in the state laboratory? It was felt that no additional help would be needed because there was no rush on the testing, as there is on many of their tests. If it were necessary to hire more help they would turn to the Milk Control Board for it.

Representative Brand asked how much of an increase would be put on the consumer? Mr. Parker replied, none.

Representative Brand moved SB 373, be concurred in. It was seconded by Representative Bengtson. The motion was passed unanimously.

Representative Jenson will carry SB 373, and Representative Bengtson will carry SB 131, on second reading.

Representative Conroy moved SB 49, be concurred in. It was seconded by Representative Ellerd. The motion was passed unanimously.

Representative Ellerd moved SB 189, be not concurred in. Representative Johnston made a substitute motion that SB 189, be concurred in. Discussion followed and Representative Curtiss moved action be differed on SB 189. It was seconded by Representative Staigmiller. The motion was passed unanimously.

Dave Cogley was asked to look up the Capper-Volstead Act and report to the committee at the next meeting.

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Representative Staigmiller moved to adjourn. It was seconded and passed unanimously.

Adjourned at 10:55 a.m.

William M. Day  
William M. Day, Chairman

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