

HOUSE AGRICULTURE, LIVESTOCK, AND IRRIGATION COMMITTEE

February 19, 1979

The meeting was called to order by Chairman Day at 12:00 noon with all members present.

HOUSE BILL NO. 863

REPRESENTATIVE AUBYN CURTISS, Chief Sponsor, introduced the bill. This bill will clarify the County Attorney's duties as related to conservation districts. It will provide for County Attorney representation pertaining to conservation districts and provide compensation for supervisors on special projects.

PROPONENTS:

MR. VANRINSEN AND MR. ULAND rose in support of the bill and offered to answer any questions the committee may have.

REPRESENTATIVE CURTISS closed by stating that these supervisors served without pay and we have a responsibility to them.

Questions were asked by the committee and the hearing on HB 863 was closed.

HOUSE BILL NO. 849

REPRESENTATIVE VICKI JOHNSON, Chief Sponsor, introduced the bill. She stated that it is an act to approve and ratify the Interstate Compact on Agricultural Grain Marketing. Thirteen states produce 90% of the grain in the United States. The Interstate Compact concept originated in Kansas. Thirteen states were called together and this is the compact that they came up with. This compact must be ratified by five states before it can be established. There will be three representatives from each state. Before any action can be taken the majority must approve. There will be one meeting per year. She stated that they are not asking for any appropriation this year, if enacted, but the estimated appropriation would be about 50 thousand dollars. There are some private funds available.

PROPONENTS:

JIM STEPHENS, Montana Farmers Union, stated that the bill must be passed the way it is without any amendments. He attended many meetings throughout the United States and has learned the importance of the grain industry in the U.S. The communication and cooperation between states is so important to the grain business in the U.S. as well as in the world.

REPRESENTATIVE JOHNSON closed offering to answer any questions the committee may have.

Questions were asked by the committee and the hearing on HB 849 was closed.

HOUSE BILL NO. 800

REPRESENTATIVE ROBERT ELLERD, Chief Sponsor, introduced the bill. This bill would revise the laws regulating livestock markets, dealers, and brokers. He stated that they are asking the committee to adopt this bill as the Montana Livestock Marketing Act. Montana already has the best marketing laws in the nation but they did not feel that the fines were high enough to be effective. This bill will raise the penalties. After notice of hearing, if a person is found to be in violation they will be assessed a civil penalty, by the department, of not less than \$100 or more than \$5,000, have their license or certificate suspended or revoked, or both. He took this proposal to the Board of Livestock and asked if they had any objections, there was none.

With a 40 thousand dollar a year industry there should be felony penalties instead of misdemeanors, as the present law provides.

Vice-Chairman Vicki Johnson assumed the Chair.

ROBIN MACNAB, Montana Livestock Markets Association, stated that every market is a member of the association in Montana. He then listed all the members. He quoted some figures on the amount of money that goes through the markets each year. 1977 was the biggest year for cattle sales through the markets.

He concluded by stating that they are in full support of this bill and feel with a business this big the violators should have these strict penalties forced on them.

BOB ROBBINS stated that he felt cattle was the number one business in the state. He hoped there would not be any resentment because the bill had been drafted by someone who lived out of the state. The gentleman who drafted this bill was the man who drew up the first Livestock Marketing Act in Montana, and it is the best one in the nation.

OPPONENTS:

TERRY MURPHY, National Farmers Organization, stated that the NFO is made up of farmers and ranchers who group together to get a better price for their cattle. They are interested in everything that has to do with them and the selling of their cattle. They presented amendments to the present law. They felt this would be better than a new marketing act. They are exempt from the present law and feel the penalties could be raised in the present statutes instead of drafting a new act. (proposed amendments attached)

PHIL OLSON, National Farmer Organization, stated that he had followed the interim study committee on the marketing laws. It was the findings of the committee that the existing laws were the best in the United States, and with a few minor changes would be even better.

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TERRY MURPHY continued by stating that the organization was established to allow producers to work together. They are not dealers of livestock, but producers that sell their own products together to get a better price. HB 800 defines a livestock dealer in such a way that it may include members of the NFO. As individuals they should not have to be licensed to sell. Under the present law they do not have to be licensed, but this bill will provide that they have to be licensed. They had no quarrel with the increase in penalties. In fact, they agreed that they should be raised. They recommended that the committee adopt the proposal presented today instead of HB 800.

Mr. Murphy then read the minutes of the interim committee meeting that Mr. Ellerd had attended. The committee approved of amending the present laws but not adopting a new law as was proposed to them by Representative Ellerd.

JIM STEVENS AND MARION LITTLE, rose in opposition to the bill and concurred with the proposed amendments to the present law.

CHARLES SIDERIUS, BETTY SIBLEY, DOUG BROOKS AND TOM LITTLE, all from the Northwest Montana Quarter Horse Association rose in opposition to the bill and supported the proposal by Terry Murphy. They were opposed to Section 3(e) and Section 16(3), which stated that the animals had to be bred and raised by the association selling them.

SENATOR ED SMITH submitted a letter in opposition to the bill. (letter attached)

CHARLES BROWN, Department of Livestock, appeared not as a opponent or a proponent but to clarify page 16, lines 4 and 5, as having an error in the referenced section numbers.

REPRESENTATIVE ELLERD closed stating that this bill is to the benefit of the livestock dealers and disagreed with the amendments proposed. The NFO has been told that they would be exempt from this bill as they are from the present law. He didn't feel they should except amendments that were drafted overnight, when they had worked for two years to come up with HB 800.

He concluded stating that he would be willing to amend the bill, deleting the words, "bed and raised," to satisfy the quarter horse people.

Chairman Day resumed the Chair.

Questions were asked by the committee and the hearing on HB 800 was closed.

EXECUTIVE SESSION:

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Representative Johnson moved, DO PASS. The motion was carried with

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Representative Ellerd opposed.

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Representative Hirsch moved, DO PASS. The motion was carried 11 to 6. Opposed: Bengtson, Conroy, Ellerd, Hand, Roth, Smith

HOUSE BILL NO. 800

Representative Conroy moved, DO PASS, with committee of the whole amendments deleting the words, "Bred and Raised."

Representative Dassinger made a substitute motion to adopt the proposed amendments submitted by the NFO. The motion failed 10 to 7. Favored: Brand, Dassinger, Day, Ernst, Hirsch, Johnson, Lien

The original motion to DO PASS was carried 12 to 5. Opposed: Brand, Dassinger, Ernst, Hirsch, Johnson

The meeting was adjourned at 2:20 p.m.

William M. Day
William M. Day, Chairman

Judy J. Mook, Secretary