

MINUTES OF THE MEETING
AGRICULTURE, LIVESTOCK & IRRIGATION
MONTANA STATE SENATE

February 9, 1979

The thirteenth meeting of the Agriculture, Livestock and Irrigation Committee was called to order on the above date in Room 415 of the State Capitol Building by Chairman Galt at 12:30 p.m.

ROLL CALL: All members were present with the exception of Senator Conover.

The witnesses that were present to testify are attached.

CONSIDERATION OF HOUSE BILL 152: Representative Vicki Johnson, district #72 had introduced this bill. She felt it would really help the local economy if the schools would use locally produced beef. It would help the local rancher as well as the economy. This bill would also keep foreign beef out of Montana schools. Montana people fund the school districts and she thought it was only fair that the schools support Montana beef. She said the economics of this type of program is very good. She cited several different schools in the state that had started using Montana beef and that were saving money.

Deanna deYong, representing WIFE, Montana Farmers Union and the NFO, said they supported the bill. They would like to see the word "beef" replaced by the words "food products". She felt the bill was tending to lean toward the beef producers and not giving fair recognition to the other producers in the state. Anything that the state imports is sending money out of the United States and for economy's sake we need to keep the money here. One of the problems with imported beef is that it doesn't have to meet the grade standards that our beef does and this is the same with fresh produce.

Steve Dougherty, Northern Plain Resource Council, arose in support of the bill. He felt Montana schools should support Montana beef.

Brisbin Skiles, Department of Public Instruction, said it was imperative that our food services operations run as efficiently as possible. He felt that the language "whenever feasible" helped the bill, because sometimes it may be possible to use Montana beef but not feasible. He said it specifies in the federal law that all food purchased for school lunch program be domestically produced. He said the Department does encourage Montana schools to purchase from locally produced beef. Many of the larger schools have to go through a packing plant and there is no guarantee that the beef they get comes from Montana.

There were no further proponents and no opponents.

During discussion by the committee Senator Kolstad mentioned that he felt this bill would be more appropriate in the form of a resolution. Senate Graham asked if the bill was passed would the Department of Public Instruction notify all schools that this was, in fact, a law. Mr. Skiles replied yes.

CONSIDERATION OF HOUSE BILL 231: Representative Ernst, District #71 had been asked to introduce this bill at the request of a landowner group in central Montana. This bill refers only to the major power lines. At the present time the utilities will negotiate easements and offer the landowner a lump sum. The landowner does not have the option of receiving annual installments, but must take the lump sum in one payment. This bill is patterned after Minnesota law. The bill was originally submitted open-ended but the house had amended it to not more than five annual installments.

John Lubinus, representing himself, supported the bill. His testimony is attached per exhibit #1. The intent of the bill is to allow a landowner the right to receive a reasonable annual payment as compensation for the use of his land. He asked the committee to look into the House amendment to allow only five payments.

Steve Dougherty, Northern Plains Resource Council, said many of the people he represents are landowners with power lines running through their property. They feel they should be able to receive annual payments instead of receiving one lump sum. They were very much in support of the bill.

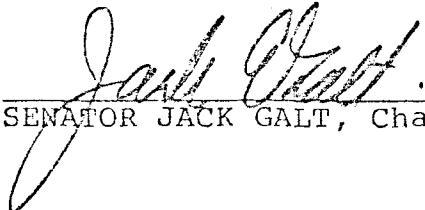
Don McIntyre, Department of Natural Resources, said they support the concept of this bill.

Bob Gannon, Montana Power Company, said they had worked with the subcommittee and they supported the bill with the amendments.

Gene Phillips, Pacific Power and Light, said they also support the bill as amended in the House.

Representative Ernst in closing said he called this a Landowner Relation Bill. He asked the committee to look at the original intent of the bill before it had been amended.

There being no further business the meeting was adjourned.



SENATOR JACK GALT, Chairman

Date 2-9-79

ROLL CALL

AGRICULTURE COMMITTEE

46th LEGISLATIVE SESSION - 1979

Each Day Attach to Minutes.

SENATE

Agriculture COMMITTEE

BILL H.B. 152
231

VISITORS' REGISTER

DATE 2-9

Please note bill no.

Feb 7, 1979

Mr. Chairman

Members of the Senate Committee on Agriculture

My name is John E Lubinas. I am one of the concerned landowners ~~near~~ near Lewistown, Montana who would like to see landowners receive annual payments for easements and right-of-ways of powerlines. The intent of the bill is to allow a landowner the right to receive a reasonable annual payment as compensation for the use of his land as long as the powerline is in existence. One of the reasons for proposing the bill is to correct a past history of a low one time payment for easements and right of ways of powerlines. There is a state law today which allows the power companies to offer and make annual payments. We would like to also have a law which allows a landowner the right to receive annual payments.

As I understand it, H.B. 231 has passed the House with almost no opposition. However the original bill was amended to allow only 5 annual payments. We feel this amendment changed the intent of the bill. It appears to us that the House looked on the bill as a tax relief measure by spreading payments over five years. Our intent was not for tax relief but for the purpose of better compensating landowners for the use of their land. We ask that

this committee give a strong look at the House amendment allowing only 3 annual payments. A couple of observations about annual payments. Annual payments put easement or right of way payments on a more business like basis instead of a token basis as past history shows it. Annual payments are more equitable if the land changes hands. The new owner receives compensation for the nuisance and bother of a powerline. Annual payments keep up with inflation.

I notice in some of the bills coming up before this legislature there is one asking for a $2\frac{1}{2}\%$ override as a royalty payment to surface owners of oil and gas producing land. I asked the sponsor of this bill what difference this is between annual payments for powerlines and $2\frac{1}{2}\%$ override and he told me very little.

In summary most people and landowners do not like a powerline on their land but if the need is there and the powerline must be on their land, let's reimburse the landowner fairly and equitably. We feel annual payments is an option landowners should have if they are to receive a fair compensation for easements and rights of ways.

Thank you for your time.

Sincerely
John J. Ulbrich
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Lewistown, Montana
157457