MINUTES OF THE MEETING OF THE HOUSE AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE, FEBRUARY 4, 1983

The meeting was called to order by Chairman Jacobsen on Friday, February 4, 1983 at 12:30pm in Room 129, State Capitol. All members were present with the exception of Rep. Bengston who was excused.

HEARINGS

HOUSE JOINT RESOLUTION 15. REP. GARY SPAETH, District 71, Carbon County, testified as sponsor of the bill which requests the collective opinion of the Legislature to point out the importance of the sugar beet industry in Montana. He said the industry grosses over \$46 million with a payroll of \$3.5 million and 235 full time employees, annually.

REP. SPAETH told the Committee more than 30,000 acres in the Billings area are devoted to sugar beets and the bill asks the growers and Great Western Sugar to continue negotiations in good faith for the general welfare of the people and the State of Montana.

PROPONENTS

MR. DAVE DOSS, Billings Chamber of Commerce said the growers and Great Western Sugar have just returned to the bargaining table in a prepared statement concerning the economic impact to the State (exhibit). Mr. Doss told the Committee he supported the resolution as the issue is of mutual importance to both the State and the industry.

OPPONENTS

There were no opponents of the bill.

QUESTIONS

REP. ROUSH asked if beets were contracted to companies other than Great Western Sugar, to which Rep. Spaeth replied Holly Sugar presently has contracts in Eastern Montana.

REP. UNDERDAL asked if the issue were labor contracts or the price of beets. Rep. Spaeth said the main problem is the price of beets.

IN CLOSING, Rep. Spaeth asked the Committee to seriously consider supporting the bill.

SENATE BILL 160. SEN. ALLEN KOLSTAD, District 5, Liberty County, testified as chief sponsor of the bill, which would raise the wheat assessment tax from .5 to 1 cent and that on barley to .5. He said the bill was a self-help program sponsored by farmers and that the Wheat Research Marketing Committee has done a good job on behalf of agriculture.

MR. BOB STEPHENS, Montana Grain Growers Association stated his support of the bill.

MR. TERRY MURPHY, Montana Farmers Union, said his organization supported the bill as long as it did not exceed proposed levels.

MR. BUD LEUTHOLD, President, Montana Grain Growers Association, said 20-30 years ago Montana farmers saw a need to promote their products, which resulted in the check-off system. He told the Committee 13 states presently have a wheat assessment and have united to form the U.S. Wheat Association for worldwide distribution In 1967, 357 million bushels of wheat of the product. were sold to other nations and in 1981, 2 billion bushels, according to Mr. Leuthold, who said he would support the bill which requires a variable rate of up to 1 cent as the amount of dollars the Wheat Commission has to work with can be limited. He advised federal funds have been cut back and that his Association has no particular fear the funds would be abused. He explained the assessment is used to promote wheat in 150 countries in addition to research, and the assessment is refundable if the farmer is not satisfied with the Association's performance. He urged committee support of the bill.

MR. GLENN MOORE, District 7, Montana Wheat Research Marketing Commission, said guidelines are set to increase markets and lower production costs (exhibit). He stated his support of the bill, and told the Committee model bakeries in China are 50% backed by U.S. Wheat. He said for every dollar a farmer spends, \$4-7 is contributed by research, adding the population is expected to increase from 4.5 billion to more than 6 billion within the next 17 years.

MR. MOORE told the Committee, Montana has a chance to be number one in the U.S. in research and in training researchers. He said each \$1 billion in expenditures means 35,000 new jobs in the U.S. and that the flexibility

for assessing up to 1 cent per bushel was necessary for short crops, adding the Commission spends \$27,000 for 9 staff members, simultaneously making efforts to coordinate and not duplicate work done in other states. He said Japan will not buy California Wheat since the state has not participated in promotion of the product and advised Comission members do not engage in foreign travel.

MR. MACK QUINN, President, Montana Farm Bureau, stated his support of the bill and said although foreign market development by the Commission has been excellent, it is 90% and 10% promotion. He said it's easy to find ways to spend dollars which have been authorized and asked the Committee to keep the check-off limit at its present level.

MS. JANELLE FALLON, Montana Chamber of Commerce stated her organization's support of the bill.

MR. BOB STEPHENS, testifying for Mrs. Jo Brunner, Women Involved in Farm Economics, said there is presently \$200,000 in earmarked funds for gasahol products which need a repealer to avoid sunset (exhibit).

REP. TOM ASAY, District 50, Rosebud County, stated his support of the bill.

REP. BRENT BLISS, District 10, Choteau, said he would propose an amendment to limit increases to 5 and 10 mills.

REP. GLENN SAUNDERS, District 72, Stillwater County, testified as president of the Montana Soil Conservation Service, in support of the bill.

OPPONENTS

There were no opponents of the bill.

QUESTIONS

REP. BACHINI asked if additional funds would prevent closure of the research center at Sidney, Mt. Mr. Moore said the Montana ASCS may be in a position to compensate for loss of federal funding, but he was not yet certain.

REP. BLISS asked what Montana farmers get for the \$31,500 shown in the 1982-83 budget for Grain Growers. Mr. Moore said that amount was used for publication of the "Wheat" magazine which is distributed to all farmers.

REP. BLISS asked what the additional \$4,000 was for and Mr. Moore replied it was used for transportation costs for employees of the National Trade Commission and attendance at national conferences for changes in rules and regulations.

REP. BLISS asked if any of the Montana directors did not belong to the Montana Grain Growers Association. Mr. Moore said he didn't know, but thought an excellent job was done with what funds were available last year.

REP. SCHULTZ asked Mr. Leuthold what happend to the remaining gasahol funds. Mr. Jim Christensen, Great Falls, Wheat Research and Marketing Commission said \$6000 remained last year and \$5000 this year all of which would be retained in the fund. He told the Committee as many as 106,000 of the estimated 117,000 farmers in the State contribute to the Association assessment.

REP. ERNST asked Sen. Aklestad for his opinion of the 5 and 10 mill limit. Sen. Akelstad replied he would support .5 to 1 cent at this time.

REP. UNDERDAL asked what withholding was for wheat and barley on the assessment. Mr. Christensen told him it varied greatly from year to year and it was estimated \$800,000 would be collected this year, of which \$150,000 would be from barley. He said average production is 184 million bushels for wheat and 74 million for barley.

REP. UNDERDAL commented that with the \$800,000 assessment on grain and \$200,000 for gasahol, the total budget is over \$1 million. Mr. Christensen responded, saying the Wheat Research Marketing Comission has no authority over the gasahol allotment.

REP. SAUNDERS advised the Bozeman Research Center was in need of repair and asked if the Commission were planning to assist with improvements. Mr. Moore told him the Commission was enthused by Dr. Walsh's work and would participate if funding were available.

REP. SCHULTZ explained the Commission would have \$400,000 for the biennium if gasahol were sunset and asked if the

increased assessment for wheat and barley would still be necessary in view of this fact. Mr. Christensen replied the requested change would put barley more in line with wheat and the assessment would raise \$1.6 million, if the Commission felt implementation was necessary.

REP. ROUSH asked Mr. Leuthold if the Montana Grain Growers Association supported the amendment, who replied they do.

The hearing on Senate Bill 160 was closed.

HOUSE BILL 545. REP. REX MANUEL, District 11, Teton County, testified as chief sponsor of the bill and said the Montana grain producers lost \$3.8 million last year because of a grain dealer's bankruptcy. He told the Committee the bill was designed to protect the producer since it was determined a bonding law wouldn't protect producers at all and the cost would be 6-7% of crop value for producers to protect themselves. He said the problem was improved upon in a lien law bill sponsored by Rep. Donaldson.

REP. MANUEL told the Committee "grain" relates to wheat and barley and interest earned would be deposited to the grain indemnity fund for producers who have delivered grain to licensed grain dealers. He said line 10, page 3 of the bill makes reference to compensation for 80% of the grain in the hands of a licensed dealer, that percentage being used to put responsibility on the producer to check the reputation of the dealer.

REP. MANUEL told the Committee 2% of the income received would be provided to the Department of Agriculture for administration of the fund, adding the program is mandatory. He explained all producers would be eligible to participate and said the assessment would be 1/2 cent per bushel or 1 cent per 100 weight on barley which would bring in approximately \$900,000 annually until the fund reached its \$10 million cap. He advised the assessment would then cease until the fund dropped below that level.

REP. MANUEL said a written contract with a dealer who lost the grain would be covered according to the price of grain at that time, less the cost of transportation. Any claims not paid due to insufficient funds would stand until funds were available for payment. He told the Committee a claim for more than 100% of the total loss must be referred to the accounting entity.

REP. MANUEL provided committee members with a copy of his proposed amendments and another from the National Farmers Organization (exhibits).

PROPONENTS

MR. FRED BROWN, National Farmers Organization read from prepared testimony and said the NFO program which is similar to the bill works very well, applying to all farm products as well as grain (exhibit).

MR. BOB STEPHENS, testified in support of the bill for Mrs. Jo Brunner, Women Involved in Farm Economics (exhibit).

MR. BUD LEUTHOLD, Montana Grain Growers Association, said he supproted the basic concepts of the bill, but has concerns with the soundness of the system and believes it is wrong for producer's to have to protect themselves from grain dealers.

REP. BLISS, District 10, stated his support of the bill in that the priority, will provide more for 1/2 cent than many other proposals this session.

REP. KOEHNKE, District 45, Broadwater County, offered his support of the bill.

OPPONENTS

There were no opponents of the bill.

QUESTIONS

REP. ERNST asked if the system proposed were in use in other states. Rep. Manuel told him Oklahoma and Maryland presently have similar systems.

REP. ERNST said he wondered what would prevent a grain dealer from being irresponsible if the bill were enacted.

REP. SCHULTZ asked how the producer would be taken care of when a dealer defaulted. Rep. Manuel replied the 80% compensation level as stated in the bill would at least help the producer through the year.

REP. SCHULTZ asked if grain prices would increase 1/2 cent becasue of the additional bonding requirement. Rep. Manuel replied it shouldn't.

REP. SCHULTZ asked Rep. Manuel what the date of settlement would be, who replied it would be the date the dealer's check was found to be insufficient.

REP. LYBECK asked if the proposed \$10 million cap would have covered Coast Trading. Rep. Manuel replied it would have since Coast Trading indebtedness was \$3.8 million.

REP. ELLERD said he was concerned with who would receive payment if there were a lienholder and whether the lienholder could file a claim since all mortgages are on record in each county and with the Department of Agriculture.

REP. KOEHNKE asked if the Department of Agriculture would collect for producers in the event of a bankruptcy. Rep. Manuel replied it would.

REP. BLISS said the fund would grow at a faster rate than the check-off system after it reached the \$10 million cap. Rep. Manuel responded, saying if there were no crucial problems during the next three to four years the fund would be in good shape.

REP. ELLERD asked Rep. Manuel if money belonging to a retired or deceased person would remain in the fund, who replied that it would.

REP. BACHINI asked if a survey of farmers had been made with regard to the matter. Rep. Manuel said none had been taken.

IN CLOSING, Rep. Manuel stated his concern that small grain dealers may be forced out of business which would have a negative effect on competition.

HOUSE BILL 509. REP. TOM ASAY, District 50, Rosebud County, testified as chief sponsor of the bill which would allow a seven member board to be elected to soil conservation districts for administrative purposes. He said Rosebud County is presently establishing a mill assessment to fund its loan program for water, but equalization is difficult because of district formation.

PROPONENTS

MR. STEVE MEYER, Montana Association of Conservation Districts said the bill would provide better representation

for larger counties and urged a do pass recommendation for the bill.

OPPONENTS

There were no opponents of the bill.

QUESTIONS

REP. HANSON asked if municipalities within the county were incorporated. Mr. Meyer said the city of Forsyth is not within the boundaries of the conservation district and others are not represented either.

REP. UNDERDAL asked if present statutes needed repealing. Rep. Asay said the bill is an allowable exception as amended on page 2, lines 16-17.

REP. UNDERDAL told the Committee the bill could be further explained by Rep. Spaeth in executive session.

REP. SCHULTZ asked how the districts were funded and Mr. Meyer responded, telling him approximately \$200,000 in coal tax dollars funded the districts.

REP. ASAY added there would be a permanent levy of 1.5 mills. Rep. Schultz asked what percent of districts were presently at 1.5 mills to which Mr. Meyer replied he didn't know.

IN CLOSING, Rep. Asay told the Committee the bill would facilitate the self-help effort of the districts.

EXECUTIVE SESSION

HOUSE JOINT RESOLUTION 15. REP. SPAETH moved the bill Do Pass. Rep. Hanson seconded the motion, which was unanimously approved by the Committee.

SENATE BILL 60. REP. SAUNDERS moved the bill Do Pass. Rep. Lybeck seconded the motion, which was unanimously approved by the Committee.

HOUSE BILL 486. REP. SPAETH asked the Committee to delay action on the bill pending preparation of amendments. Chairman Jacobsen consented and advised committee members no bills would be heard February 7, although executive action would be taken on several bills.

The meeting was adjourned at 2:07pm.

IT lum Jacoban GLENN JACOBSEN, CHAIRMAN

REP. GLENN

Joann T. Gibson, Secretary

STANDING COMMITTEE REPORT

FEBRUARY 4, 1983

MR. SPRAKER:

ē. 1)

Ì

ROL	se joint	RESOLUT	CON	Bill No
copy (<u>WH</u>	ITE)			
			ie house of	
	SUGAR I	NOUSTRY :	in the stat	te of
URAGING	: Sugar I Great We	NDUSTRY STERN SU	in the stat Iar company	re of And the
URAGING MERS TO OLUTION	SUGAR I GREAT WE NESUME B OF THEIS	Noustry Stern Su Argainin Differe	in the stat Iar company I and reace Ices for th	PB OF AND THE AN IE BENEFIT
URAGING MERS TO OLUTION , INCLUI	SUGAR I GREAT WE NESUME S OF THEIS DING THE	Noustry Stern Su Argaimin Differe People of	in the stat Iar company I and reace Ices for th	re of And the I an IE BENEFIT I of
URAGING MERS TO OLUTION , INCLUI	SUG GREA NESU OF T ING	ar I T Me Me g Heig The	AR INDUSTRY I T WESTERN SUC ME GARGAINING HEIR DIFFEREN THE PEOPLE ON	TE OF MONTANA RECOGNISI AR INDUSTRY IN THE STAT T WESTERM SUGAR COMPANY ME BARGAIMING AND REACH HEIR DIFFERENCES FOR TH THE PEOPLE OF THE STATE

DO PASS

1

STATE PUB. CO. Helena, Mont. REP. GLEMN JACOBSEN

STANDING COMMITTEE REPORT

FEBRUARY 4 83

MR	
We, your committee on	AGRICULTURE
having had under consideration	SENATE 60 Bill No
FIRSTreading copy (WHITE) color
	Estitled: "An act amending shetion
	1, 15-24-1091, AND 15-70-312, MCA, TO RESIDENT AND NONRESIDENT <u>CUSTOM-COMBINER¹8</u>
AGRICULTURAL HARV	ISTING EQUIPMENT PARE AND PERMITS ARE VALID

FOR THE FULL CALENDAR YEAR IN WEICH ISSUED."

	That	Senate	60
Respectfully report as follows:	That	Bill	No

DO PASS

Z

1

•

REP. GLEAN JACOBSEN

STATE PUB. CO. Helena, Mont. Chairman.

VISITOR'S REGISTER

	HOUSE <u>Agriculture</u>	COMMITT	EE	
BILL	KUR15	DATE	2-4-83	
SPONSOR	Spaciti- Hsay			

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Dave Goss	Billings	3:11, ingo Chember of Comme	~	
Dave Goes Gary Sparth	silesia			
Anna 1, 1999,	• • • • • • • • • • • • • • • • • • •			
			· ·	
		***** <u>********************************</u>		
	· · · · · · · · · · · · · · · · · · ·			
				×
	h	<u> </u>	<u> </u>	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

FORM CS-33

VISITOR'S REGISTER

HOUSE <u>Agriculture</u> COMMITTEE BILL <u>S-Q/60</u> DATE <u>2</u>-SPONSOR <u>Sen. Kolstod</u>

DATE 2-4-83

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Bab Stephens	Dutton	M. GGA	\checkmark	
Daville Matter	chister	M 6.6. A	/	
Jem Therene	Reserve	Produces	/	
Bus ten hold	11/0 17	MILGA	~	
the Climitican	Great FAMS	MT. will Comm	\checkmark	
22 more	C BAKER MT	· (() /	1	
Kan months	producted	mt whit Comm	\checkmark	
hack Quin	Bis Sund	MI Farm Burray	~	
Jamelle Fallon	relena J.	Mt. Chamber	5	
FredRow	Whitehall	Nat Harm Org	~	
Tom aray	force, H.	Lairy Explading to Other	V	
0				
·				
	Bob Stephers Darille Matter Jus Lewi hold Jos Lewi hold Jos Marin And Lewin And Lewin And Lewin Jamelle Fallow Lie R. Bran	Bab Stephens Dutton Darille Matter Jung Therene Receme Bus teni hord 1110 17 Good teni hord 1110 17 Good teni hord 1110 17 Gress Fills Mark Dein Baks MT Mark Dein Big Some Jamille Faelan Nelema Lich Big Some Jundle Faelan Nelema	Bob Stephens Dutton M. GGA Davide Mattern Chaster M. GGA Just Ilevene Reserve Produces Bus Levi Lord 1110 17 MIGGA How There I Gress Fills MT. will Comm Denn Marc BAKSR MT	Bob Starkers Dutton M. GGA / Davide Mistron Chiston M. GGA / Jun Therene Rescue Produces / Bus tear hold 1110 17 MIGGA / How the hold 1110 17 MIGGA / How the hold 1110 17 MIGGA / How the BAKSK MT (1 1 / Show Mother BAKSK MT (1 1 / Show The Baks MT (1 1 / Show Mother BAKSK MT (1 1 / / / Show Mother BAKSK MT (1 1 / / / / Show Mother BAKSK MT (1 1 / / / / Show Mother BAKSK MT (1 1 / / / / / / Show Mother BAKSK MT (1 1 / / / / / / / / / / / / / / / / /

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

	Γ	ISITOR'S REGISTER	
	HOUSE	Igriculture	COMMITTEE
BILL	NB 545		DATE 2/4/83
SPONSOR	Manuel		,

en die statie energen die e

T				1
NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Jeer Theren	Pland Molt	Producer	~	
Bud Leuther		MAGA	-	
Bat Stopken	Dutton	MCGA.	4	
Fred R Brown	Whitehall	Nat'l Farmers Org	~	
		, d		
		· · · · · · · · · · · · · · · · · · ·		
	· ·			
		· ·		
· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·			
	· · · · · · · · · · · · · · · · · · ·			
		i		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

	VISITOR'S REGISTER	
HOUSE	Agriculture	COMMITTEE
BILL HB 509	0	DATE 2-4-83
SPONSOR ASay		

			1	1
NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Steve Meyer	Helena	MACD	X	
	-			
· · · ·				
			-	<u> </u>
			_	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

NAME David G. Gos	٢	BILL NO. HSR 15
ADDRESS Billings, MT		DATE 2/4/83
WHOM DO YOU REPRESENT		
SUPPORT	OPPOSE	AMEND
PLEASE LEAVE PREPARED STA	ATEMENT WITH	SECRETARY.

Comments:



January 13, 1983

Ivan Bielenberg, President & CEO Hunt International Resources Corp. 1601 Elm Street Thanksgiving Tower Dallas, TX 75201

Dear Mr. Bielenberg:

The Billings Area Chamber of Commerce and the citizens of Billings view with increasing concern the current relations between Great Western Sugar Company and local beet growers. The apparent impasse in negotiations between the growers association and the company portends a serious problem for Billings.

HIR 15 2-4-83

As you know the sugar industry in total is a significant portion of our area economy. In a worst case scenario, the discontinuation of sugar beet processing and loss of market for our local growers, the negative impact on the local economy would be substantial. The loss of jobs by Billings plant workers and the loss of income for area farmers is of primary concern to the Chamber. It is not the custom of this Chamber of Commerce to attempt to influence any contractual negotiations. In this instance, however, because of the importance of the issue and the magnitude of the impact, we urge the two parties to return promptly to meaningful negotiations. We are sure that working together you can resolve this issue in a mutually beneficial manner.

Our only interest is the maintenance of a viable sugar processing industry that is beneficial and profitable to the company, the growers, and the Billings area.

Cordially,

Bob Waller, President Board of Directors Billings Area Chamber of Commerce

BW/pw

cc: Joe Alles, President Great Western Sugar Beet Growers Association

NAME Jerry Murphy	BILL NO.53160
ADDRESS Great Falls	DATE <u>2 - 4 - 83</u>
WHOM DO YOU REPRESENT Montana Fam	ners Union
SUPPORTOPPOSE	AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

By action of The M.F.U. Expective Board on January 5, 5183 M.F. M. is a proponent of SB160 as long as the maximum assessment does not exceed 1 & per bushel of wheat or 1 2 & per CWT on Barley.

NAME	Bud Je	ut hald	BILL NO. SB 160	_
ADDRESS_	Molt	Mont	DATE 2/4/83	
WHOM DO	YOU REPRESENT_	Mont GRAin	6 GROWERS	
SUPPORT		OPPOSE	AMEND	

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

. .

NAME 💊	l linn-	more	BILL NO. S (3 160
ADDRESS	Baker	mt	DATE 8-4-F3
WHOM DO	YOU REPRESENT	ment	mileat Roscamen
SUPPORT	1	OPPOSE	AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

2-4-83 Ev

STATEMENT TO THE HOUSE AGRICULTURE COMMITTEE ON S. B. 160 By: Glenn Moore

Mr. Chairman and members of the Committee:

My name is Glenn Moore and I am a Director on the Montana Wheat Research and Marketing Committee from District 7, the Southeastern part of the state. I, along with the six other farmer directors on the committee, establish policy guidelines and budgets for this unit of the Montana Department of Agriculture. The committee's overall purpose is to increase the value of Montana wheat and barley by expanding their sales and use and by lowering the cost of production.

To accomplish this purpose, we rely solely on a 5 mill per bushel of wheat and a 10 mill per hundred-weight of barley checkoff assessed at the time of first sale. These are the only funds available to the committee. In short, the Wheat Research and Marketing Committee is a producer financed and producer directed effort aimed at expanding sales and lowering costs, thereby improving the economic plight, not only of our farmers, but of the economy of the state in general.

I am here today to urge your favorable consideration of Senate Bill 160. This will allow the committee to adjust the wheat and barley assessment up to a maximum of 1¢ per bushel on wheat and 1-1/2¢ per CWT on barley. By doing so you will enable us to continue our highly successful efforts in developing new markets, research expansion, transportation involvement, and public information. Without these programs, we risk losing out on the opportunity to capitalize on additional markets for our crops and targeting research programs Testimony of Glenn Moore on S.B. 160 Page 2 February 4, 1983

which impact most directly on our farmers' economic well-being.

It is most important to remember that passage of this bill does not automatically raise the assessment. It simply gives me, and the other committee members, the latitude to set the assessment at a level that will meet the needs of our budget. As a farmer, I am well aware of the current economic hard times in the agriculture industry. I, for one, could not in good conscience vote for an assessment level any higher than good sound proposals to the committee would dictate. While I cannot give you concrete assurances that my group will not raise the assessment after passage of this bill, it could very well be that the current level will be continued for sometime into the future.

So why are we asking for increased budget authority? Rather than dwelling on the many past accomplishments, let me tell you about some of the issues that the committee sees as issues for now and for the future. These are projects that, whether or not we would want to be involved, we cannot impact with current revenues.

First, U.S. Wheat Associates. Montana and 12 other states have joined together through the formation of this organization to promote wheat around the world, and I serve as a member of its Board of Directors.

There are several areas that, at present, the U.S. Wheat Associates member states and Montana are concerned about because of budget limitations:

The model Flour Mill in mainland China should be complete by 1985, if funding can be found, to complement the bakery and noodle factory that U.S. Wheat Associates has opened in the past year.

Testimony of Glenn Moore on S.B. 160 Page 3 February 4, 1983

The model China Bakery in Beijing needs equipment. Particularly slicing and bagging machines.

Development of rural baking short courses for small established bakers around China.

Africa is the part of the world with the most promise for market development after China. An effort that would be especially important to Montana would involve Tunisia, Algeria, and North Africa. They use Durum and the potential for increased consumption is great.

Noodle equipment to Sri Lanka could be used in trade for military distribution of that product to their army. Since most young men spend time in the service, noodles could be introduced to the entire population.

The Northern Crops Institute (NCI) at Fargo, North Dakota, is able to provide pasta processing courses for foreign technicians but money is needed to bring them to NCI for training.

Trade teams to Montana currently are fewer in number and stay for shorter periods of time because of financial constraints.

Barley is not promoted by U.S. Wheat. My Committee wants to

get more involved in international market development in this area.

The U.S. Feed Grains Council also does foreign market development work. Montana could contract with them for barley promotion on the Pacific Rim.

Trade teams expressly interested in feed and malting barley have visited Montana on only two occasions in the past because of cost. This is an effective method of barley promotion.

What domestic marketing efforts would be effective?

Durum product promotion could have a major impact on domestic consumption. As a specialty crop, a small increase in utilization relative to other wheats could mean sharply increased returns. The National Durum Growers Association could be utilized.

There are many concerns for the Committee at Montana State University.

Foremost is the spring wheat breeding program. More than half of the wheat produced in Montana is of this class but we have no spring wheat breeder after the Federal Government withdrew its support. Testimony of Glenn Moore on S.B. 160 Page 4 February 4, 1983

> We received word just yesterday that the federally funded research center at Sidney will be closed. That would be a major blow to dryland farmers in eastern Montana.

Support people, especially for plant pathologists and breeders, maximizes the effectiveness of the program managers and is an area that is perenially underfunded.

Greenhouse space has been a area of concern for many years and will perhaps be funded this legislative session. But, special equipment will be needed for specific programs involving small grains. For example, vernalization chambers could increase winter wheat breeding to three generations per year instead of the current one per year. Currently, it takes approximately 10 years to bring out a new variety of wheat or barley.

Other areas of interest at Montana State University are:

Plot equipment for research centers. Stress physiology in relation to alternate cropping systems. Grass barriers. Erosion control. Nitrogen fixation. Alternate crops. Straw sterilization. Frost seeding. Saline seep control. Evaporation control.

And between the research to develop a product that is in demand and the ultimate consumer is that vital link, transportation; the highest cost per bushel in our state of all the costs.

The Staggers Rail Act changed the rules markedly in favor of the transportation modes. The standard tools, protest to the ICC or redress in the courts, will continue to play a part in the Montana Wheat Research and Marketing Committee's involvement but, under Staggers, the role of negotiations will become paramount. The caliber people needed for direct technical discussions with the railroad are neither cheap nor easily available.

The Wheat and Barley Committee has a proven track record as

Testimony of Glenn Moore on S.B. 160 Page 5 February 4, 1983

the prototype of self-help programs in agriculture in Montana. We look forward to new challenges and opportunities. But, we need your help. With the increased variable assessment in Senate Bill 160 I believe we will be able to continue to serve our farmers and our state for the future.

Thank you for your consideration.

			plea	m. sec. 5B160.	
	MONTANA WHEAT RESEARCH & MAR	KETING	COMMITTEE	K. 2-4-83 _ SB/6 Date	»O
	Refund Applica	tion		No.	
ro:	Montana Wheat Research & Marketing Com.	FROM:	(Nam	e)	
	Box 3024 Great Falls Mt 59401		• • • •	. or Street) n, State, Zip)	
I r	in accordance with Section 3-291 efund of the wheat and/or barle	.3 (4), y asse	RCM, 1947, ssment deduc	I hereby request a ted by:	
F	'irst Purchaser or Lender:		Date of Sal	e:	
A	ddress:		Bu. of Whea or CWT Barl		
			Amt Assesse	d: (.005 per bushel, whe (.01 per cwt, barley	
Ĩ	This is supported by the attache Invoice Loan Papers	IF TH RETUR DATE	IIS REFUND AP NED WITHIN 9 OF SALE, YOU	(check one) PLICATION IS NOT 0 DAYS FROM THE R REFUND FOR THIS MATICALLY CANCELLED.	
_	Ve	erifica	ition		
a	I hereby certify that the above and unpaid, and that the amount to law.				
•			Seller or Gr	ower Signature)	
	Subscribed and sworn to before m 19	ne this	da da	y of	_'
ť		((Notary)		

NAME: Mack Quinn	DATE: Feb 4, 1983
ADDRESS: 502 S. 19th Ave, Bozeman, Mt. 59715	
PHONE: 406-587-3153	
REPRESENTING WHOM? Montana Farm Bureau Federati	.on
APPEARING ON WHICH PROPOSAL: SB 160	
DO YOU: SUPPORT? x AMEND?	OPPOSE?
COMMENTS: Montana Farm Bureau supports SB 160.	I appreciate the
opportunity to express some of our concerns.	· · · · · · · · · · · · · · · · · · ·
(1) We commend efforts in market development mad	le possible by past
check off money.	
(2) Farm Bureau sees foreign markets as the only	y long term solution to
our current over-production of grain.	
(3) I believe market development is about 90% ac	ccess and 10% promotion.
(4) From my personal observation when authority	
the increase follows very quickly.	
(5) Solutions to complex problems are not always	s solved by throwing mo:
money at them. I would like the committee to	
check off at the present level for the pres	

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

SB 160. WE support both the increase in the levys on wheat and

Commission and we are content with the intent of the bill.

Thank you.

barley and the repealing sections. We have been assured that after this any requests for funding for gasahol and renewable resource programs will be taken care of from appropriations to the Wheat

. "Hell has no fury like a woman scorned" ...

2-4-83 Ex____

Amend House Bill 545, introduced copy

I. Title, line 9. Following: "BARLEY;" Insert: "PROVIDING AN EXEMPTION;"

2. Page 5. Following: line 13

Insert: "Section 7. Exemption. Grain sold through a

cer's seeperative marketing system on which an assessment is levied for the purpose of protecting the member producer from the loss or wrongful conversion of such grain is not subject to the assessment imposed in [section 4], if the protection under such assessment procedure is equal to or greater than the protection secured under [this act]. No claim may be made under [this act] for any loss of grain for which no assessment was paid under [this act].

Renumber: subsequent sections

STATEMENT OF INTENT Bill No. <u>545</u> [LC 2087]

This bill requires a statement of intent because section 8 requires the Department of Agriculture to adopt rules to implement the collection of an assessment on wheat and barley and reimbursement from the proceeds of the assessment to producers who suffer a loss because of bankruptcy or wrongful disposition by grain dealers of grain delivered to them. Rules adopted under this act should parallel rules adopted to implement the Wheat Research and Marketing Act, insofar as the two programs are similar.

	UIF	EWom	en li	nvolve	d in	Farm	Economics
		NAME_JO	BRUNNE	R		_BILL NO.	HB545
		ADDRESS	<u>563 3r</u>	d ST. HELI	ENA	DATE	FED. 4/ 1983
		REPRESENT_	WOMEN	INVOLVED	IN FARM	ECONOMIC	S
		SUPPORT		<u>X</u>	OPPOSE_		AMEND

COMMENTS:

Mr. Chairman, members of the committee, my name is Jo Brunner and I represent the members of the Women Involved in Famm Economics organization.

W.I.F.E. realizes that every one in our state and the surrounding areas must have great concern over the situation that is happening with more and more frequency---that of our grain enevators going bankrupt ----and that many of our producers are loosing their grain placing a greater financial burden upon them. Besides the loss of the grain income, we have to take into consideration the problems that are in conjunction with that loss.

Many of us have borrowed money on our crops, on our land, for operating expenses. Paymentfor those debts must be found somewhere. We have day to day living expenses that must be covered. While W.I.F.E. voted to support the concept of a bill such as this, we had not at that time read HB 545. We do believe that this bill will go a long way in protecting our producers from such injustices in the future. through the Grain Indemnity Fund. We are concerned with the situation that exists where the National

Farm Organization is concerned and we are hopeful that something can beworked out in this bill that will be beneficial to that organization.

Thank you.

NAME Bug	e Jent 1	sed	BILL NO. HB 545
ADDRESS	Molt	-	DATE 2/4/23
WHOM DO YOU	REPRESENT	Mont. GRAin	browers
SUPPORT	V	OPPOSE	AMEND
PLEASE LEAV	E PREPARED	STATEMENT WITH SEC	CRETARY.

Comments:

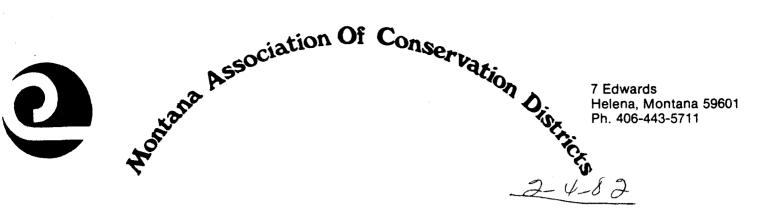
Amend HB 545, introduced bill

1. Title, line 9.
Strike: "AND"
Following: "PENALTIES"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 6. Following: line 9 Insert: "Section 10. Effective date. This act is effective on passage and approval."

2-4-83 Ex

NAME: FRED K. BROWN DATE: 2/4/83 ADDRESS: T. O. EGX 477, WHITEHALL MONT 59759 PHONE: 287-5662 IN WHITEHALL, 442-3091 IN HELEMA REPRESENTING WHOM? MONTANA NATIONAL THEMER'S ORGANIZATION APPEARING ON WHICH PROPOSAL: 148 545 DO YOU: SUPPORT? _____ AMEND? _____ AMEND? _____ OPPOSE? COMMENTS: OF ALL THE BILLS AND EFFORTS THE LEGISLATURE 15 USING IN ATTEMPTS TO PROTECT GRAIN GROWERS FROM APPER OF THE HUGE LOSSES AS SUFFERED WHEN COAST TRADING WENT BROND WE FELL THISHES GREAT MERIT The National Farmur's Org has had a similar septem in aperation for years nation wide. Because of the same Company, the NFO suffered huge losses some 8 mg years ago and this instituted our own checkoff insurance program that reinburses participating members, all of their losses should such an event scare. It Works very well. However, this hill as written wauld lause sur members to be doubly charged once with the state of montana. As with insuring a building, you can only to a mendment (as per be paid once. a Heched) that would allow organizations that have set up warking systems of coverage that are equal to ar with greater coverage than that of this bill With this ammendment we support and



Mr. Chairman, Members of the Agriculture Committee:

I am Steve Meyer, representing the Montana Association of Conservation Districts.

We have endorsed the proposal embodied in <u>HB 509</u> by resolution at our November convention. This Act will allow districts to increase the elected members of their board, but only if there are no incorporated cities within the district boundaries. This will allow for better representation of resource problems, especially in the large districts. We don't feel that there will be any problem with the size of the board because districts that include incorporated cities already have seven members, 5 elected and 2 appointed by the city council.

We urge a "Do Pass" on HB 509.

Thank you.

nen K. R.

STEVEN R. MEYER Executive Vice President

SRM:dv