

MINUTES OF THE MEETING OF THE HOUSE AGRICULTURE,
LIVESTOCK AND IRRIGATION COMMITTEE, FEBRUARY 16, 1983

The meeting was called to order by Chairman Jacobsen on February 16, 1983 at 6:30pm in Room 129, State Capitol. All members of the Committee were present with the exception of Rep. Hanson who was excused and Rep. Jensen who was absent.

EXECUTIVE SESSION

HOUSE BILL 42. REP. HOLLIDAY reported subcommittee findings to the Committee and moved the bill Do Pass.

REP. ROUSH said he opposed the bill as written as there is no guarantee the bill would carry over state lines and the program presently exists in only two other states. He told the Committee similar federal legislation should protect Montana producers when their grain crosses the state line.

REP. SCHULTZ said he supported the motion as it is an effort to protect the producer.

REP. SPAETH commented the bill should be moved to the Senate where it could be more closely examined, since nothing can really be done with the bill to compensate for problems arising when grain crosses the state line.

CHAIRMAN JACOBSEN asked if it were the intent of the Subcommittee that both House Bills 42 and 673 be passed to the Senate for workable solutions.

REP. LYBECK suggested all three bills be studied at one time.

CHAIRMAN JACOBSEN told the Committee he was uncomfortable with the concept of support either bill at this time, adding the bills could be placed on the Consent Calendar and then before the Senate.

REP. BENGSTON commented the bills would not be sent to the House floor or the Senate if the Committee could not agree.

REP. LYBECK asked Rep. Bengston if statements made by grain growers and elevator owners in their meeting on Sunday, February 13, would make a difference to her.

REP. HOLLIDAY said the largest cooperative in the State of Illinois is presently going under after having been in business for 50 years. She told the Committee,

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Capital Indemnity of Madison, Wisconsin has issued bonds since the State has requested bonds for companies in financial difficulty. Rep. Holliday said she doubts any dealer could purchase a \$1 million bond, adding, based on assets of five to one, a \$100,000 bond is the maximum issued in Illinois at a cost of \$1,250.

REP. BLISS said the Committee could lower the bond amount in the bill and the Senate could raise it if necessary.

REP. SPAETH asked where the bill stated a \$1 million bond was required and said he could only find a figure of \$20,000 on page 45, line 1, with a maximum bond on page 6 of the bill.

REP. LYBECK said producers should be aware the bill does not provide full or absolute protection for them.

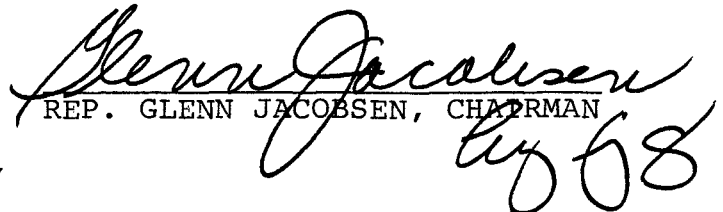
REP. SPAETH asked if small companies experienced greater difficulty in bonding than did larger companies, and if the bill were not closing the market to new elevators. Rep. Holliday replied she did not know but thought there would not be a specific problem.

CHAIRMAN JSCOBSEN again stated his discomfort with either bill, adding they both need more work.

REP. SCHULTZ seconded the motion made by Rep. Holliday and House Bill 42 was given unanimous Do Pass approval of the Committee.

HOUSE BILL 673. REP. ERNST moved the bill Do Pass. The motion was seconded by Rep. Holliday and given unanimous committee approval.

The meeting was adjourned at 7:15pm.


REP. GLENN JACOBSEN, CHAIRMAN
by 68

Joann T. Gibson, Secretary

STANDING COMMITTEE REPORT

FEBRUARY 16

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MR. **SPEAKER:**

We, your committee on **AGRICULTURE**

having had under consideration **HOUSE** Bill No. **673**

FIRST reading copy (**WHITE**)
color

A BILL FOR AN ACT ENTITLED: "THE AGRICULTURAL WAREHOUSE,
COMMODITY DEALER, AND GRAIN STANDARDS ACT; GENERALLY
REVISING THE STATUTES RELATING TO THE WAREHOUSING OF AND
DEALING IN AGRICULTURAL COMMODITIES; AMENDING SECTIONS
80-5-201 THROUGH 80-5-203, MCA; REPEALING SECTIONS 80-3-501
THROUGH 80-3-513, 80-4-101 THROUGH 80-4-106, 80-4-111
THROUGH 80-4-126, 80-4-201 THROUGH 80-4-209, 80-4-221
THROUGH 80-4-234, AND 80-4-311 THROUGH 80-4-313, MCA; AND
PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That **HOUSE** Bill No. **673**

DO PASS

REP. GLENN JACOBSEN

Chairman.

FEBRUARY 16 19 83

MR. **SPEAKER:**We, your committee on **AGRICULTURE**having had under consideration **HOUSE** Bill No. **42****FIRST** reading copy (**WHITE**)
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A LIEN IN
FAVOR OF AGRICULTURAL COMMODITY PRODUCERS AND AGRICULTURAL
COMMODITY DEALERS THAT HAS PRIORITY OVER ALL OTHER CREDITORS
OF THE AGRICULTURAL COMMODITY PURCHASER."**

Respectfully report as follows: That **HOUSE** Bill No. **42**DO PASSREP. GLENN JACOBSEN

EXCUSE

DATE _____

REPRESENTATIVE _____

IS EXCUSED FROM COMMITTEE HEARING.

REP. GLENN JACOBSEN, CHAIRMAN
AGRICULTURE COMMITTEE

PROXY VOTE

Date 2/11

REPRESENTATIVE

HOENKE

BILL NO.

42, 673

INSTRUCTIONS

Agree on both

Francis Jacobsen
SIGNATURE