

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

February 13, 1985

The Agriculture, Livestock and Irrigation Committee meeting was called to order on the above date, in Room 415 of the State Capitol Building, at 1:00 p.m. by Chairman Boylan.

ROLL CALL: All members present.

HB 317: Representative Melvin Williams, HD 85, introduced the bill at the request of the Department of Revenue. It is an act to clarify the definition of livestock for purposes of fitting into the property tax classification. The present definition of livestock is quite brief. It only includes cattle, sheep, horses and mules, and there is a lot of livestock being taxed that is not under that category. They have broadened the definition to take in all the livestock and animals that are being taxed at the present time. The term livestock means, cattle, sheep, horses, mules, swine, goats, exotic animals, bees, and all other animals kept by a person for gain or profit, whether a gain or profit is realized or not, according to the new definition. "Cats or dogs" was stricken because they did not want to include pets. If you have a dog kennel and are in the business of breeding dogs for profit or gain, you would come under this category. That is the same reason for the exotic animals, mink ranches, petting farms, elk farms, etc. Those people are subject to taxation and are being taxed at the present time. This bill broadens the definition to include things that are being handled in that manner at the present time.

PROPOSERS: Jesse Munro, Department of Revenue, rose in support of the bill. The bill gives them clarification to do what they are presently doing under the statutes which says, "all properties taxed in the State unless otherwise specifically exempted."

Charles Gravely, County Assessors Association, told the committee the bill was prepared at their request because of the lack of definition in the law. They need the language to clarify what needs to be assessed and at the rate it will be assessed.

OPPOSERS: None.

Committee questions: Senator Hammond - How did they tax cutter bees before? Munro - Leaf cutter bees in the past were taxed on a per hive basis. A hive is 3,000 holes at \$50 per hive, livestock, class 6 at 4%. In answer to Senator Williams - Mink are taxed on a January 1st number of mink in their possession at that time. The mink industry provides us with the valuation that they get from a national group. The Department has a ratio built where it is billed one for every four females. This year it is currently \$30. In the past breeding stock and pelt stock have been taxed the same. A mink is not capable of producing for breeding until it is 6 months old.

As of January 1 each year, they have to turn in the number of head of all mink they have.

In closing, Representative Melvin Williams said there was a bill before the House Taxation Committee to exempt mink up to 11 months of age that were not capable of producing. It was killed in committee. The new definition in this bill provides that all animals be taxed at the present time in all these categories. It makes the definition clear for the Department of Revenue.

HB 233: Representative Ed Grady, HD 47, introduced the bill at the request of the Board of Veterinarians. The bill changes the name of the Board of Veterinarians to the Board of Veterinary Medicine, changes the renewal date, and includes animal dentistry as a practice of veterinary medicine.

PROPOSERS: K. M. Kelly, representing the Montana Veterinary Medical Association, supported the bill. Most of these are housekeeping changes. Line 19, p 2, the Board of Veterinarians is changed to Board of Veterinary Medicine to make it more consistent with their national organization and is more definitive. Line 19, p 2, conforming change. Top of p 4, line 2, the original bill, when drafted, dropped out ova or embryo transplant and they are adding it back and adding the provision for the practice of dentistry in the definition of veterinary medicine. This includes floating of teeth in horses or cows, and teeth pulling or grinding in dogs and other animals. P 5, line 15, the original bill deleted the entire section E. During the hearing the Council of the House Agriculture Committee determined that, by deleting entire section E, it deleted the Veterinarian's prerogative to hire third year students or interns so they had to put everything back in up to the word, "however," on line 21. Section 307, line 25, regarding renewals, fees and continuing education. They have changed the date from July 1 to Nov. 1 to stagger the work load for licensing at the Department of Commerce. They have some 150 boards that come due on July 1st. Page 7, line 11 pertaining to new licensees securing licenses by July 1 is deleted and now reads shall be granted a renewal the first year without attending the educational program. Line 18 is a conforming change. Line 17, p 8 a conforming change. Beginning on line 25, p 8, a new section added, the extension of authority that has to accompany any new legislation. New section - the effective date upon passage and approval. Additional testimony, Exhibit #1.

OPPOSERS: None

Committee questions: Senator Aklestad - Did we have a big problem before this bill. Dr. J. C. Burkhartsmeier, Board of Veterinarians - This is a housekeeping bill for the Board to make the practice work smoother. The name change is to conform to the way things are done in most other states. We regulate other things besides straight veterinarian. We regu-

late the practice of veterinary medicine. The word dentistry was somehow omitted from the original practices act. The date change was at the request of the Department of Commerce.

Senator Galt - Why the rush for the immediate effective date?
Dr. Burkhartsmeier - Because the laws go into effect on October 1. Our licenses come due on June 30 or July 1st. If we left it, we would be in limbo for five months. Senator Galt - The present Board would still be in effect. Dr. Burkhartsmeier - We could relicense July 1 and only have a 6 months license.

Hearing closed on HB 233.

HB 459: Representative Dean Switzer, HD 28. The bill changes regulations of the livestock marketing laws. Section 2 had been written out because of an oversight. The term livestock broker is eliminated and changed to livestock dealer and described on p. 5. It does not include farmer or rancher. On p. 7 the fine is levied under a different chapter of the law and the penalty is 50% to the Department of Livestock and 50% to the county in which the offense occurs. Changes that continue are changing words from brokers to livestock dealers and renumbering many of the sections. On the bottom of p. 9, the new language starts regarding the person who pays for livestock with a bum check knowingly and hasn't taken care of it within 5 days. He becomes guilty of a felony. That is the principal change to the law. Licensed dealers are referred to on p. 14. A person licensed to buy and sell cattle can be suspended where, in the past, he could get a willing dealer who had a license to allow him to buy cattle and continue right along. It addresses the distribution of fines again in the last section of the bill. The whole thing came about with the people gathered in Glendive last September at the 5 state conference on the interstate movement of livestock. It was probably precipitated by activities in Montana where they had lost a lot of money through a bum check writer, and were having the same problem in North Dakota. Each state at the 5 state conference was going to try to do something to tighten up their laws on penalties for writing bum checks for livestock.

PROPOSERS: Les Graham, Department of Livestock. This does eliminate the definition of the broker and makes it all inclusive under the definition of dealer. It doesn't change the basic definition of dealer. It still exempts the livestock rancher or producer and farmer in the normal course of his business and the Department has not had problems in the 12 years the Dealers Licensing Law has been in effect. It does say, though, that once a dealer is refused a license, he can't go and find another dealer who will accept him and keep him in business. This is what precipitated the problem on the Highline in eastern Montana three years ago. David Moso was turned down by the Department for a license. He found another person to cover him and, under law, the Department couldn't deny it. He wrote \$1,300,000.00 in bad checks. The Department did recover some

of that money but the Department is engaged in litigation at this time because of it. Another individual was convicted of cattle theft, plead guilty and, within 6 months was under another person's license and doing business again. It is the Department's feeling, after meeting with various county attorneys around the state, they should clean up the language a bit or come back and repeal the entire Dealers' Licensing Act within the state as now they are unable to do anything about the bad check people. With all the activity that has taken place in the last 4 years, they have yet to have a warrant for an arrest made because the county attorneys say they can't work under the old law. Mr. Graham felt they could if they would put more effort into it. The Department of Livestock is not going to say this will prevent that from happening again because it is his philosophy and the philosophy of the Board of Livestock that you can't dictate a person's private business practices to him. They feel this bill will allow for quicker prosecution in case it does happen. If this bill passes, then within 5 days after written notice of a bad check, the receiver of the check has to make written notice. If it is not acknowledged or an attempt made to take care of it, then the felony will apply. It will not prevent it from happening again, but it will give the Department a better shot at it after it does happen.

Mons Teigen, Montana Stock Growers Association, felt it plugs up loopholes they see in the law and asked the committee to support it. Exhibit #2.

Lavina Lubinus, WIFE, urged passage of the bill.

Lorna Frank, Montana Farm Bureau Federation, supported the bill. Exhibit #3.

OPPONENTS: None

Committee questions: Senator Bengtson - Page 5 - the fine of not more than \$10,000 and the loophole. Isn't the fine and penalty the same as in the old law. What makes this new language more enforceable? Clyde Peterson, Attorney for the Department of Livestock - This language grew out of a discussion with the county prosecutor's service and several county attorneys. They had some problem with intent when a person writes a bad check. The problem grew out of the person mentioned earlier by Mr. Graham. That person was acting as an agent and was writing checks on an account two states away. Eventually some of the banks cut off their funds and some of the checks started to bounce. They claimed they had no intent to bounce these checks. The county attorneys had a lot of problems with that as intent as a basis of criminal law. The county attorneys suggested we keep our penalty the same but add the language on pages 9 & 10 which are on lines 24 through line 10 on page 10. That language comes from the criminal code and the key to that language is that if you have an account and you have failed to make that check good within 5 days. that is prima facia evi-

dence that you had intent to bounce that check. The county attorneys informed us that this works real well and they suggested we put that similar language in our law. That language is in place in the criminal codes. The problem is the county attorneys said they like to work with this law as a whole. They like the penalty in this law which is slightly different and we have included a little different language on page 9, line 24 where it says "a person, whether or not licensed under this part" - We've had some problems with a county attorney who said the gentleman bounced a check and he wasn't a dealer so he couldn't be prosecuted under this law. This is a suggestion straight from the County Attorneys' Association and the county prosecutors. The intent of this is to go after dealers or people who are dealing in cattle and who are not licensed, not to go after farmers and ranchers.

Hearing closed on HB 459.

HJR 17: Representative James Schultz, HD 30, Lewistown, said this is a Resolution by the House dealing with rules and regulations promulgated by the IRS's requirement of logs on all automobile mileage responsibility regarding the use of any vehicle on or off the farm as well as any business. This is a protest to their high-handed efforts to rule and regulate agriculture and businessmen in regard to their businesses. He feels these rules and regulations are impossible and, in the articles he is handing out to the committee, there has been some recognition of this. The IRS said they will take a look at it, but he felt the committees should continue on and register their complaint to the IRS and members of the congressional delegation. Some vehicles no longer are capable of registering miles and it has become a big problem for the farmer and businessman. Copies of newspaper articles, Exhibits #4 and 5.

PROPOSERS: Carol Mosher, Montana Cowbells and Montana Stock Growers. Exhibit #6.

Lavina Lubinus, WIFE, asked to go on record in support of HJR 17.

Lorraine Gilhis, representing herself, whole heartedly endorsed HJR 17.

OPPOSERS: None.

Committee questions: Senator Bengtson - Do you have an update on what they are going in Congress? Representative Schultz - They are in the process of looking at it now but there are still some problems in determining what is mileage. Six days ago, in information he had seen, they were still considering livestock as only 80% and the other 20% would have to be considered family use or something else.

In closing, Representative Schultz urged the committee to pass

the Resolution on to the Senate floor.

DISPOSITION OF HJR 17: Senator Hammond moved HJR 17 BE CONCURRED IN. Motion carried unanimously. Senator Severson will carry the bill on the Senate floor.

DISPOSITION OF HB 233: Senator Aklestad moved HB 233 NOT BE CONCURRED IN.

John MacMaster, Legislative Council, explained to the committee there was something which didn't come out during the hearing. There was one provision which wasn't spoken to on p. 5, lines 21 through 25 and the 1st line on p. 6, regarding hiring the third year veterinary school student. The contract of hire has to be ok'd by the Board and you can't hire them for more than six months. One of the problems was if you hire them for 6 months then you have to get rid of them because you can only hire them for 6 months. It was thought it senseless to hire this person and then, after 6 months, you have to get rid of him after he has learned something. Then you have to go out and hire another person for 6 months. They deleted that provision and allowed to hire him for longer than 6 months. Basically it would be until he gets out of school and finished his third year. The rest of subsection E on p. 5 was put back in the House because they realized if you take out the first sentence, then you can't hire him at all. It is the first sentence that lets them do the hiring.

Senator Aklestad agreed with Senator Kolstad's comment that they would be back in next session at another \$3000 cost for the bill, so he withdrew his motion.

Senator Bengtson moved HB 233 BE CONCURRED IN. Motion carried. Senator Bengtson will carry the bill on the floor.

DISCUSSION ON HB 459: Senator Bengtson asked John MacMaster to speak on some questions he had in regard to closing the loophole and making it a felony that that is prima facia evidence they are having intent to comit a crime with the bad check. John - It says if a person has an account with the bank and he fails to make good on this check, then after 5 days after he has received written notice that it has bounced, that is prima facia that he knew it would not be paid. Now if you go back up to lines 1 & 2 on page 10, it says he has written that check knowing it will not be paid. What is happening here is, under the codes 26-1-102, "Prima facia evidence is that evidence which proves the particular fact until it is contradicted and overcome by other evidence". You are talking about a basic element of the defense, that you intended to bounce this check. If you call it prima facia evidence, then the state does not have to prove intent. Intent stands proven until the defendent proves he didn't have intent. The person is innocent of intent until the state proves he is guilty. If you show he was given notice

and you show he did not make good on it within 5 days, then it is presumed he intended to bounce that check. He has to disprove it and it is a problem. This kind of provision is becoming quite popular with the prosecutors and the council attorneys are telling all the legislators, when a bill is drafted along this line, there may be constitutional problems there.

DISPOSITION OF HB 459: Senator Lybeck felt this bill was long overdue and moved HB 349 BE CONCURRED IN. Motion carried. Senator Smith will carry the bill on the Senate Floor.

DISPOSITION OF SB 301: Senator Conover handed out the amendments to SB 301. He asked Mr. Hemmer from State Lands to explain them.

Mr. Hemmer - The Department of State Lands made a mistake in drafting the bill. Regarding the concern about the exception to the United States, the amendments in subsection 2 would say for agricultural leases and portion of agricultural leases containing both grazing and agricultural land, when the rental is paid on a crop share or cash basis the rental is due in cash on or before November 15 the year in which the crop is harvested. The Department would change it to say, if the rental is not paid on or before December 31st of the year in which the crop is harvested the lease is cancelled. So there is a 45 day grace period in there. They then added a section, as requested, see item 6 amendments, Exhibit #7. The last sentence was added as the Department ran into a problem and ended up in Supreme Court over whether or not which address should be used; the one sent in or the one used on the lease. They determined it would be the one used on the lease. The amendments clarify the errors made during drafting and also give that mandate that they send by certified mail the notice at lease 2 weeks before the lease cancellation.

Senator Galt moved the amendments. Motion carried.

Senator Bengtson moved SB 301, as amended DO PASS. Motion carried.

Senator Boylan announced that Friday's hearing would be at 1:00 p.m.

There being no further business, the meeting adjourned.


PAUL F. BOYLAN, Chairman

ROLL CALL

AGRICULTURE, LIVESTOCK & IRRIGATION COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2/13/85

SENATE
SEAT

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NAME	PRESENT	ABSENT	EXCUSED
SENATOR GARY AKLESTAD	✓		
SENATOR ESTHER BENGSTON	✓		
SENATOR JACK GALT	✓		
SENATOR H. W. (SWEDE) HAMMOND	✓		
SENATOR ALLEN KOLSTAD	✓		
SENATOR LEO LANE	✓		
SENATOR RAY LYBECK	✓		
SENATOR ELMER SEVERSON	✓		
SENATOR BOB WILLIAMS	✓		
SENATOR MAX CONOVER, V. CHMN.	✓		
SENATOR PAUL BOYLAN, CHAIRMAN	✓		

Each day attach to minutes.

DATE

Feb. 13, 1985

COMMITTEE ON

Agriculture

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
K.M. Kelly	Mont. Veterinary Medical Assn	HB 233	✓	
JESSE Munro	D.O.R.	HB 317	✓	
Leslie Graham	West J. Westbrook	HB 459	✓	
Shirley Clark		HB 459	✓	
Lorna Frank	Mont. Farm Bureau	HB 459	✓	
J.C. Burkhardtmeier	Brd of Veterinarians	HB 233	✓	
R.P. Painter	Mont. Veterinary Med. Assn	HB 233	✓	
Curley Williams	Visitor			
Carol Marker	Montana Local Sellers	HJR 17 HB 459	✓	
Lorraine Gilles	Mont. Farm Bureau	HB 459	✓	
Mrs. Teegee	Mt. State Grange	459	✓	
Stuart Diggott	District 15	459	✓	
Ray E. Gulick	Joplin Farmer Visiting			
Lavina Lubinus	WIFE	459 HJR 17	✓	
Lorraine Gilles	Self	HJR 17	✓	
Lorna Frank	Sponsor HJR 17	"	✓	

NAME: K. M. Kelly DATE: 2/13/85

ADDRESS: Helena

PHONE: 458-5861

REPRESENTING WHOM? Montana Veterinary Medical Assn.

APPEARING ON WHICH PROPOSAL: HB233

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

This bill is mainly a housekeeping measure, however there are two substantive changes. The bill proposes to change the time limits on issuing of 3rd year ~~and~~ Veterinary students by deleting the 6-month limitation. In order to issue a 3rd year student the Veterinarian must enter into a contract with the school furnishing the student or intern and it may be for a longer or shorter period of time. The other change is to require license renewal on Nov 1 rather than July 1 in order to stagger the re-licensing load in the Dept. of Commerce.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Mons Feigen DATE: 2/13/85

ADDRESS: Helena

PHONE: 412-3420

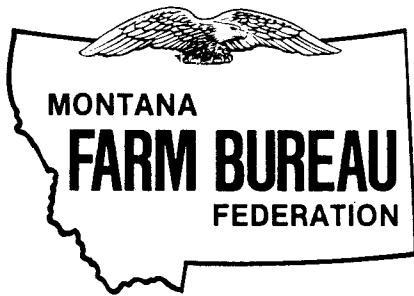
REPRESENTING WHOM? Mont. Stockgrowers Assn

APPEARING ON WHICH PROPOSAL: House Bill 459

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT: This bill goes part way toward plugging a loop hole
that ~~was~~ exists in present law. The department in
its experience has detected this and believe
the amendment will improve their ability
to protect the Montana stockman.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



502 South 19th

Bozeman, Montana 59715

Phone (406) 587-3153

TESTIMONY BY: Lorna FrankBILL # HB 459 DATE 2/13/85SUPPORT X OPPOSE

Mr. Chairman and members of the committee, for the record my name is Lorna Frank. I am representing the Montana Farm Bureau Federation.

We would like to go on record in support of House Bill 459, we believe this bill addresses the problem that livestock producers some times have collecting money from buyers of their products. We would like the committee to give HB 459 a "do-pass" recommendation.

Lorna Frank
SIGNED



REPRESENTATIVE JAMES M. SCHULTZ

HOUSE DISTRICT 30

HOME ADDRESS:

1210 SEVENTH AVENUE NORTH
LEWISTOWN, MONTANA 59457
HOME PHONE: (406) 538-3355
HELENA PHONE: (406) 443-0281

The Big Sky Country

HSR17
Feb. 13, 1985
EXHIBIT #4

MONTANA HOUSE OF REPRESENTATIVES



Wednesday, January 30, 1985 — 4A

About time IRS is reigned in

Bureaucrats delight in their rule-making power and one agency that seems to take delight in using rules to make life miserable for people is the Internal Revenue Service.

Last year our son took a part-time job washing dishes for about six weeks. He knew when he got the job that he wouldn't be working long so he asked that his employer not to withhold federal taxes. Some months later he received a letter from the IRS. It included a pamphlet titled "Reduction in Paperwork Act." We read the cover letter first and then turned to the forms. It was as bad, if not worse, than filing an itemized tax return, all to prove that he didn't have to have taxes withheld from his paycheck. So much for reduction in paper work.

With that experience in mind, and a couple of others, it came as no surprise earlier this month when the IRS announced its new rules regarding record keeping for business use of vehicles.

The IRS rule requires on-the-road business people to keep "adequate contemporaneous records" of mileage in order to take a tax write-off for cars or trucks used in the course of their work. This means that these people have to maintain some sort of log or journal with individual entries specifying names, dates, mileage, business purposes and times the vehicle was used.

Just like that, the IRS created a mountain of paperwork for salesmen, firms that deliver goods, farmers and ranchers. The record-keeping required to satisfy the IRS is absolutely unbelievable.

Mad taxpayers swamped Congress with protests and it appears that the IRS also got the message. Last week it proposed modifications to its rule. We won't go into all of the details but the IRS's change of heart greatly simplifies record-keeping and in some cases gives people a choice of keeping a daily log or taking a standard deduction for business use of a vehicle.

That's a good start. But as far as we're concerned it's time the IRS quit treating all taxpayers as though they are liars and cheats.

No wonder the IRS is an agency everyone loves to

AN
IR
VIEW

IRS will loosen rules for vehicle-use records

WASHINGTON (AP) — Responding to pressure from Congress, the Internal Revenue Service announced Friday it is relaxing strict requirements for detailed record-keeping on farm and business use of motor vehicles.

The changes, which will be spelled out in detail next week, will give most taxpayers the choice of keeping detailed records of their business mileage or settling for a specified amount of business use without records. Under the changes:

- Farmers may claim a truck is used 80 percent of the time for business and 20 percent for personal use without keeping records. A tax deduction would be allowed for the 80 percent use. This rule is for farmers who receive more than 70 percent of

their non-investment income from farming.

- Farm cars may be treated as used 70 percent of the time for business if they are used to make several business stops during a day. This might cover, for example, a farmer who drives his car to pick up seed, deliver eggs to a customer and the like.

- A car or truck used 100 percent in a trade or business and kept on the employer's premises during non-business hours is exempt from the record-keeping rules.

- Businesses that require employees to use business vehicles for commuting (such as a telephone lineman or policeman) will be exempt from the requirements if other personal use is prohibited and the value of the

commuting use is included in the workers' income.

- A business whose vehicle is used most of the time for calling on customers, making deliveries, visiting job sites and the like may meet IRS requirements by logging only personal use. Or, if the vehicle is a car, the company may avoid records by treating 70 percent of the use as business. In the case of a truck, the firm could treat 80 percent as business use and avoid records.

Rep. Ron Marlenee, R-Mont., called the IRS announcement "potentially good news." However, he said the best way to change the requirements is to abolish them altogether. "Any change is going to be an improvement, but a significant change is necessary," Marlenee said.

Congressmen vow to repeal record law

WASHINGTON (AP) — Members of Congress, reflecting sacks of mail from frustrated farmers and businesspeople, vowed Friday to repeal a new law requiring up-to-the-minute records to prove tax-deductible use of cars, trucks and home computers.

The law, as implemented by Internal Revenue Service regulations, "will transform honest businessmen ... into criminals more than any federal law since Prohibition," said Rep. Thomas Luken, D-Ohio, as his House Small Business subcommittee on taxation opened a hearing on the issue.

Luken estimated the new rules would cost business \$7 billion a year and produce only \$140 million of revenue for the government.

"Few federal bureaucratic actions in recent years have generated such a spontaneous, widespread outcry for relief," said Jeanine C. Hanson, an Alexandria, Va., investment broker testifying for the Chamber of Commerce.

SHE DIDN'T HAVE to tell the lawmakers that. Over the past few weeks, members of Congress say, they have received more mail on this subject than any other — including the federal deficit and tax reform. When he went to church Sunday, Rep. J. Roy Rowland, D-Ga., told the hearing, that was the first subject the minister wanted to talk about.

The outcry has become so great that more than half the 435 members of the House and 44 senators have signed legislation to repeal the law, which was enacted last year as part of the plan to slash the deficit. But House leaders, who have control over such matters, have given no in-

dication when repeal might be brought to a vote.

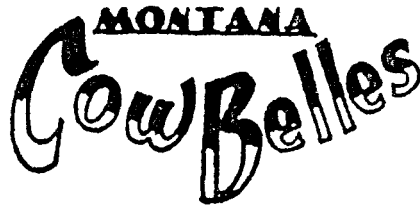
The tougher recordkeeping rules came after years of evidence that many taxpayers buy a vehicle, home computer or other equipment for business, use it part-time for pleasure and claim a tax deduction as if all the use were for business.

Under the old rules, a deduction could be substantiated by "adequate records or other evidence." As written by Congress, the new law specifically requires "adequate contemporaneous records."

The IRS, in regulations spelling out details, interpreted that to require a log or diary showing, in the case of vehicles, the time, date, mileage and purpose of a trip. And the rules demand that the record be made at the time of use — not a month later.

ON JAN. 25, barely three weeks after the rules became effective, the IRS had heard enough complaints to announce some modifications would be made. The formal language of the changes has yet to be made public, but the press release promising the relaxation said a single log entry would suffice for any period of uninterrupted business use of a vehicle, such as a day of deliveries.

In addition, the IRS said a farmer could claim that only 80 percent of a truck's use was for business and not have to keep records but still deduct 80 percent. A business whose vehicle is used most of the time for calling on customers, visiting job sites and the like could pass muster by logging only personal usage.



NAME Carol Mosher BILL NO. HJR 17
ADDRESS Augusta, MT. DATE Feb. 13, 1985
WHOM DO YOU REPRESENT Montana CowBelles AND MONTANA Stockgrowers
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

We support HJR 17. This provision in the 1984 Tax Reform Act has generated more phone calls and letters to congressmen than any other issue this year. If implemented, it would make liars out of most of us in trying to keep up a mileage log on all of the vehicles on our ranches. It is a non-productive and demeaning implication of a law. More than half of the 435 members of the United States House of Representatives and 44 of the senators have signed legislation to repeal this part of the law, and we wholeheartedly agree with them.

Exhibit #7
Feb. 13, 1985
SB 301

DEPARTMENT OF STATE LANDS' AMENDMENTS TO S.B. 301 (Introduced Bill)

1. Title, line 6.
Following: "DEADLINES"
Insert: "AND RELATED ENFORCEMENT PROCEDURES"
Following: "STATE"
Strike: "AGRICULTURAL"
2. Page 2, line 9.
Following: "rental"
Strike: "shall be paid"
Insert: "is due"
3. Page 2, line 11.
Following: "harvested"
Strike: ", except that when the lessee is the United States,"
Insert: ". If"
4. Page 2, line 12.
Following: "rental"
Strike: "shall be"
Insert: "is not"
5. Page 2, line 13.
Following: "harvested"
Insert: ", the entire lease is cancelled"
6. Page 2 line 7.
Following: line 16
Insert: "(3) At least 2 weeks prior to the final deadline for payment
under (1) or (2), the department shall send by certified mail
to each lessee who has not made payment, a letter notifying the
lessee that the lease is cancelled if payment is not received
by the final deadline. The notice shall be sent to the lessee
at the address given in the lease."
Renumber: subsequent subsection

subsection — need a space

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INTRODUCED BY *Senator L. H. E. Updell* - 11/11/11
BY REQUEST OF THE DEPARTMENT OF STATE LANDS *Boyle*

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PAYMENT DEADLINES FOR STATE AGRICULTURAL LEASES, AMENDING SECTION 77-6-506, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 77-6-506, MCA, is amended to read:

"77-6-506. Date when rental due -- cancellation for nonpayment. the (1) For grazing leases, the grazing portion of leases containing both agricultural and grazing land, and agricultural leases not based on a crop share, the rental for the first year of the lease shall be paid at or before the time of the execution of the lease; however, in the case of leases which take effect on and after October 1 and before the expiration of the coming February, both the rental for the fractional year and for the next full year beginning March 1 shall be paid and collected at the time of issuing the lease. If the United States is the lessee of state lands for grazing purposes, the rental shall be payable at the end of each year of the lease. The rental for each succeeding year on leases hereafter issued, with the exception of leases wherein the United States is the lessee,

1 is due and payable before March 1, and if not paid by April 1 the entire lease is canceled. ~~the department shall~~ notify the lessee by letter addressed to the post-office address given in the lease of the cancellation, and the land is then open for lease to other applicants.

(2) For agricultural leases and the agricultural portion of leases containing both grazing and agricultural land, when the rental is paid on a crop share basis or on a crop share/cash basis, the rental shall be paid in cash on or before November 15 of the year in which the crop is harvested, ~~except that when the lessee is the United States, the rental shall be paid on or before December 31 of the year in which the crop is harvested.~~ ^{is due} The department may extend the deadline in writing. If the lessee does not make the rental payment by the statutory deadline or date of extension, the entire lease is canceled.

~~When a lease is canceled under subsection (1) or (2), the department shall notify the lessee of the cancellation by letter at the address given in the lease. The land is then open for lease to other applicants."~~

NEW SECTION. Section 2. Applicability. This act applies to all leases of state agricultural lands in effect on the effective date of this act and to all future leases of state agricultural lands.

NEW SECTION. Section 3. Severability. If a part of

Direct

STANDING COMMITTEE REPORT

FEBRUARY 13

35

19.....

MR. PRESIDENT

AGRICULTURE, LIVESTOCK & IRRIGATION

We, your committee on.....

HOUSE BILL

No. **233**

having had under consideration.....

third

reading copy (

blue

color)

Grady (Bengtson)

NAME CHANGE FOR BOARD OF VETERINARIANS

HOUSE BILL

233

Respectfully report as follows: That.....

No.....

BE CONCURRED IN

~~XXXXXX~~

DO NOT PASS

~~XXXXXXXXXX~~

DO NOT PASS

PAUL F. BOYLAN,

Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 13

19 85

MR. PRESIDENT

We, your committee on **AGRICULTURE, LIVESTOCK & IRRIGATION**

having had under consideration **HJR** No. **17**

third reading copy (**blue**)
color

Schultz (Hammond)

**URGES REPEAL OF REQUIREMENT TO MAINTAIN BUSINESS VEHICLE MILEAGE
RECORD**

Respectfully report as follows: That **HJR** No. **17**

BE CONCURRED IN

XXXXX

XXXXXXXXXX

PAUL F. BOYLAN,

Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 13

19 85

MR. PRESIDENT

We, your committee on **AGRICULTURE, LIVESTOCK & IRRIGATION**

having had under consideration **HOUSE BILL** No. **459**

third reading copy (blue)
color

Switzer (Smith)

REVISING THE LIVESTOCK MARKETING LAWS RELATING TO LICENSES JURISDICTION, ETC

HOUSE BILL

Respectfully report as follows: That..... No. **459**

BE CONCURRED IN

~~XXXXXXXX~~

~~XXXXXXXXXX~~

PAUL F. BOYLAN,

Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 13 1985

MR. PRESIDENT

We, your committee on AGRICULTURE, LIVESTOCK & IRRIGATION

having had under consideration HOUSE BILL No. 317

third reading copy (blue)
color

WILLIAMS (Severson)

CLARIFYING THE DEFINITION OF LIVESTOCK FOR PROPERTY TAX PURPOSES

Respectfully report as follows: That HOUSE BILL No. 317

BE CONCURRED IN

DO PASS

DO NOT PASS

PAUL F. BOYLAN,
Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 13

19⁸⁵

MR. PRESIDENT

We, your committee on **AGRICULTURE, LIVESTOCK & IRRIGATION**

having had under consideration **SENATE BILL** No. **301**

first reading copy (**white**)
color

TO ESTABLISH PAYMENT DEADLINES FOR STATE AGRICULTURAL LEASES

Respectfully report as follows: That **SENATE BILL** No. **301**

BE AMENDED AS FOLLOWS:

1. Title, line 6.

Following: **"DEADLINES"**

Insert: **"AND RELATED ENFORCEMENT PROCEDURES"**

Following: **"STATE"**

Strike: **"AGRICULTURAL"**

2. Page 2, line 9.

Following: **"rental"**

Strike: **"shall be paid"**

Insert: **"is due"**

3. Page 2, line 11.

Following: **"harvested"**

Strike: **"except that when the lessee is the United States,"**

Insert: **"If"**

4. Page 2, line 12.

Following: **"rental"**

Strike: **"shall be"**

Insert: **"is not"**

5. Page 2, line 13.

Following: **"harvested"**

Insert: **"the entire lease is cancelled"**

~~XXXXXX~~

~~XXXXXXXX~~

(continued)

February 13

35

19.....

6. Page 2, line 17.

Following: line 16

Insert: "(3) At least 2 weeks prior to the final deadline for payment under subsection (1) or (2), the department shall send by certified mail to each lessee who has not made payment a letter notifying the lessee that the lease is cancelled if payment is not received by the final deadline. The notice shall be sent to the lessee at the address given in the lease."

Renumber: subsequent subsection

And, as so amended,
DO PASS

PAUL P. BOYLAN, CHAIRMAN