

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION

Call to Order: By **CHAIR LINDA NELSON**, on February 22, 1991, at 3:00 p.m.

ROLL CALL

Members Present:

Linda Nelson, Chair (D)
Don Steppler, Vice-Chairman (D)
Bob Bachini (D)
Joe Barnett (R)
Gary Beck (D)
Jane DeBruycker (D)
Roger DeBruycker (R)
Jim Elliott (D)
Marian Hanson (R)
Harriet Hayne (R)
Vernon Keller (R)
Don Larson (D)
Jim Madison (D)
Ed McCaffree (D)
John Phillips (R)
John Scott (D)

Members Excused: Rep. Elliott

Staff Present: Connie Erickson, Legislative Council
Claudia Johnson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON HB 893

Presentation and Opening Statement by Sponsor:

REP. BETTY LOU KASTEN, House District 28, Brockway, said this bill revises the law that relates to the filing of threshers' liens. There are four liens used by threshers: 1) the farm labor lien; 2) crop and grain lien for spraying and dusting; 3) crop liens for seed and grain for hail insurance; and 4) the threshers' lien. Threshers are called combiners in today's language. The way the thresher's lien used to read was very confusing. The old lien said they have 10 days to file a notice with the Secretary of State's office, then 20 days to file a lien. All this bill does is take out the old language and

combines the two waiting periods together for a total of 30 days.

Proponents' Testimony: None

Opponents' Testimony: None

Questions From Committee Members:

REP. STEPPLER asked what was meant by the 30 days after completing the threshing. REP. KASTEN said they have 30 days after the completion of threshing. If the lien isn't filed in 30 days, then they have to go to court like anyone else to collect on their bill.

Closing by Sponsor:

REP. KASTEN thanked the committee for a good hearing. She hoped the committee would see the need to have all the liens similar with the exception of the number of days involved.

HEARING ON HB 888

Presentation and Opening Statement by Sponsor:

CHAIR LINDA NELSON, House District 19, Medicine Lake, said this bill revises the Wheat and Barley Committee. The bill expands the groups that may nominate members for appointments to the committee, e.g., the WIFE group. It revises the time period in which the names of the nominees must be submitted, i.e., not more than 90 days ahead of time or not less than 30 days. It deletes the provision that the representative of the grain trade serve on the committee at the pleasure of the committee. It exempts employees of the committee from the state employee classification plan. It allows the committee to contract with all the units of the Montana University system. It deletes the requirement that the amount of the assessment be set annually. It statutorily appropriates the funds from the wheat and barley account. She offered amendments for the bill. On page 1, lines 13 & 14, cross out the statement that says "deleting the requirement that the amount of the assessment be set annually". On page 9, lines 12 and 13, retain the words "not more than". EXHIBIT 1

Proponents' Testimony:

Larry Barber, Montana Wheat and Barley Committee, Denton, said that the Wheat and Barley Committee is made up of seven voting members appointed by the Governor. Each member represents a production district within the state. The committee is supported by the producers through a check-off, contributing a portion of their grain receipts for the purpose of marketing development and research. Since 1981, when the statutes were changed, the wheat and barley check-off money has been appropriated by the Legislature each biennium. As a result, the producers that have contributed the money must come before Legislature to request the

right to spend their own funds. The scope of activities funded by the committee is broad and is growing every year. Over the past seven years the average member has spent $36\frac{1}{2}$ days per year serving on the committee. There is a need for more market development, both domestic and foreign, and for new research if they are to compete in the business of wheat and barley production. What the committee is looking for in this legislation is for the Legislature to statutorily appropriate its money to the Wheat and Barley Committee, and to allow them to spend that money in the best way to serve the producers they represent. **EXHIBIT 2**

Chuck Merja, Montana Grain Growers Association, said that other states in the Northwest region have a Wheat Association and a Barley Association with separate administrators for each committee. He said that Montana producers have a better deal with one administrator for the Wheat and Barely Committee. Montana is the 2nd or 3rd highest barley producer and fourth in wheat producing. He asked the committee to support HB 888. **EXHIBIT 3**

SEN. DENNIS NATHE, Senate District 10, Redstone, said he is in full support of HB 888. Statutory appropriation is very important because the committee should control of its money. He gave an example of the time he was chairman of the appropriations subcommittee for education. It was very easy when money was short in the general budget to ask for a contribution from the Wheat and Barley Committee to fund the Spring Wheat Breeder Program. He pointed out to the committee that there is a need as legislators to have more respect for the integrity of the committees and boards.

Kay Norenberg, WIFE and Montana Farmer's Union, wanted to go on record in support of HB 888.

Opponents' Testimony:

Laurie Ekanger, Administrator of the State Personnel Division, said she does not oppose the bill. She asked the committee to look at section 2 of the bill that exempts the employees of the Wheat and Barley Committee from the state pay and classification plan. The purpose of the bill is to allow the Wheat and Barley Committee to provide pay rates and raises above those provided in the statewide matrix. Prior to the state pay plan that was enacted in 1973, every board, commission and agency had their own pay plan. The employees were paid depending on the funding source, how much money an agency had, and the management style of the particular boss in the agency, so there was not equal pay for equal work nor equal benefits for the employees as there is with a single employer. If the committee would delete section 2 with the employee exemptions, the bill would be ok. **EXHIBIT 4**

Questions From Committee Members:

REP. PHILLIPS asked about taking out the part where the committee shall set the amount of the assessment each year, shouldn't that be left in the bill. CHAIR LINDA NELSON said it should probably be placed back in, and asked Ms. Erickson if that was correct. Ms. Erickson said it would be reinserted.

REP. DEBRUYCKER (Roger) asked why the Governor selects the board, why can't the committee do it themselves. SEN. NATHE said unless the whole group is taken away from state government it would destroy the wheat research and marketing commission because it doesn't work on a voluntary commission unless the mandatory law is abolished that says the levy can be collected.

REP. BECK asked if these are state dollars. SEN. NATHE said they are, because it is mandated that the money be collected from the 10 to 15 mills which is the assessment that is set by the wheat research and the marketing commission. The money flows into state government and then to another part of state government, namely the wheat research and marketing commission.

REP. BECK asked what the wages are of the four employees. Mr. Barber said the administrator receives around \$34,000, the information officer is at \$27,000, the office manager receives \$20,000, and the receptionist/secretary is at about \$14,000.

Closing by Sponsor:

CHAIR LINDA NELSON thanked the committee for a good hearing.

HEARING ON HJR 41

Presentation and Opening Statement by Sponsor:

CHAIR LINDA NELSON, House District 19, Medicine Lake, said this resolution deals with the McCarty Farm's Case. She said that Mike Osborne, attorney with the state handling the McCarty Case, SEN. JERGESON, chair for the Senate Agriculture Committee, and herself decided they needed this committee resolution to urge Congress to promote a settlement to this case. She said there is a possibility that the case might be settled by mid-year. She said the ICC has reopened the case 6 times and will probably open it again in the near future. The last time action was taken on the McCarty case was in 1989. There has been a 100% turnover in the ICC since this case was initiated. She said the wheat and barley shippers who brought about the original suit are either leaving the business, leaving the state, or getting too old to be able to share in the settlement because it has taken so long. The settlement of this case will establish freight rates in the future.

Proponents' Testimony:

Randy Johnson, Montana Grain Grower's Association, said he was involved in this case before he was involved with the Grain

Grower's Association. He asked the committee, for the sake of the Montana producers, to pass this resolution.

Kay Norenberg, WIFE, rose in support of HJR 41.

Opponents' Testimony: None

Questions From Committee Members: None

Closing by Sponsor:

CHAIR LINDA NELSON said that she and her husband were one of the original people that instigated this law suit. She said they not only want this settled to get their own money back, but to give the state equitable and fair freight rates.

EXECUTIVE ACTION ON HJR 41

Motion: REP. BACHINI MOVED HJR 41 DO PASS.

Motion/Vote: Question was called. Voice vote was taken.

Vote: HJR 41 DO PASS. Motion CARRIED unanimously. REP. SCOTT made the motion that HJR 41 be placed on the consent calendar. Motion CARRIED unanimously.

EXECUTIVE ACTION ON HB 893

Motion: REP. STEPPLER MOVED HB 893 DO PASS.

Motion/Vote: Question was called. Voice vote was taken.

Vote: HB 893 DO PASS. Motion CARRIED unanimously. REP. BECK made the motion that HB 893 be placed on the consent calendar. Motion CARRIED unanimously.

EXECUTIVE ACTION ON HB 888

Motion: REP. HANSON MOVED HB 888 DO PASS.

Discussion: REP. BACHINI moved to adopt the amendment which deletes section 2 in its entirety. REP. BACHINI spoke to his motion. He sympathizes with the groups and what they are doing. With the production of grain down, how can they increase the wages of the employees they have now. He said they should either go with privatization or stay with the state plan.

CHAIR LINDA NELSON made a substitute motion to amend the amendment. Her motion is to exempt the executive director from the state pay plan. She spoke to her motion. The check-off dollars come from the producers, they are not state tax dollars.

REP. SCOTT said he opposed the amendment to the amendment.
REP. MCCAFFREE spoke in favor of the amendment to the amendment.

He said this is a tax on the production of the grain and not a regular tax. The producers should have more authority to spend their dollars.

REP. HANSON said she was in favor of the amendment to the amendment. There is an escape clause in the assessment and the people could get out of it if they so desired.

REP. BECK said it isn't right to exempt anyone. He sat in on the state Senate Administration Committee hearing. There were people trying to get exemptions from the state to hire qualified engineers for the state of Montana. It was turned down and it is a great need for the state.

REP. DEBRUYCKER (Jane), said that agriculture brings in the most money in the state. There is a need for someone to take care of that industry. She supports the amendment to the amendment.

CHAIR LINDA NELSON said her amendment exempts the executive director of the Wheat and Barley Committee from the state pay plan.

REP. STEPPLER said he was in support of the amendment to the amendment. The amendment would place that person in the same category as the executive director and senior investment officer of the Montana Board of Science and Technology Development. The director is doing the same type of job as the one for the Wheat and Barley Committee.

REP. DEBRUYCKER (Jane) asked what percentage is the raise. CHAIR LINDA NELSON said the Wheat and Barley Committee would probably set a wage that would be competitive with the executive directors in the other northwest states.

CHAIR LINDA NELSON asked Mr. Barber if he had a set guideline to follow. Mr. Barber said not at this time. It was the opinion of the board to have a salary that would be 15% to 20% higher than what it is now. He felt they would be able to find a qualified person in that pay bracket.

REP. LARSON asked if the executive director's pay couldn't be raised within the state pay plan. Mr. Barber said he was informed if the director has another offer in hand that is more than what he is currently receiving, it can be brought before the Department of Administration. If the department deems the contract a worthy offer, they can, at their discretion give that person a raise.

Question was called. Roll call vote was taken. Motion CARRIED 12 to 4 with REP. BACHINI, REP. BECK, REP. LARSON and REP. SCOTT voting no. EXHIBIT 5

Motion/Vote: REP. STEPPLER MADE A SUBSTITUTE MOTION THAT HB 888 DO PASS AS AMENDED. Question was called. Voice vote was taken.

Vote: HB 888 DO PASS AS AMENDED. Motion CARRIED 13 to 3 with REP. BECK, REP. BACHINI and REP. SCOTT voting no.

EXECUTIVE ACTION ON HB 770

Motion: REP. BACHINI MOVED HB 770 DO PASS.

Discussion: REP. BACHINI moved to adopt REP. GRADY'S amendment. **EXHIBIT 6** REP. BACHINI spoke to his motion. He said that Mr. Ellis who had given previous testimony on the bill, was concerned with the bonding for auctioneers. He asked Ms. Erickson if it was possible to leave the bonding in the bill and take everything else out that doesn't pertain to the bonding. Ms. Erickson didn't think so because of the title. There is a bonding requirement already in the statutes. She said that Mike Meloy, Bureau Chief of Professional Occupational and Licensing Bureau at the Department of Commerce, Bob Verdon, Legal Counsel, at the Department of Commerce, and herself had worked out some language for a grandfather clause. The language is acceptable to the department.

REP. GRADY addressed the amendments. He said the biggest concern was the grandfather clause. He said the 10 years could be deleted. The auctioneers would be willing to grandfather everyone or make it 5 years. He agreed with the rest of the bill.

REP. BACHINI said as long as REP. GRADY was agreeable to this amendment to strike the number of years and grandfather everyone up to the effective date, it was fine with him.

Ms. Erickson addressed the amendment. The main part of the amendment is a new Section 12 that occurs on page 7. If a person files supporting documentation certifying that they had engaged in the practice of auctioneering for a period of at least 10 years prior to the effective date of the act, that person would be exempt from: 1) the apprenticeship; 2) from the requirement that they have graduated from a certified auctioneering school; and 3) from the examination. They would still have to make written application to the board to apply for a license, file a bond, and have the insurance. This does not exempt them from licensure, apprenticeship, examination, and the requirement of graduation from a certified auctioneering school. The 10 years was an arbitrary choice; it can be set anywhere or even eliminated. The Board of Auctioneers will be required to adopt standards as to what will be acceptable as supporting documentation. **EXHIBIT 6**

Ms. Erickson said that currently there isn't any place in the state code that requires that auctioneers be licensed.

REP. LARSON made a substitute motion to amend the amendment #7 by placing a period after the word "rule" and deleting the remainder of the amendment. REP. LARSON spoke to his motion. The reason

he supports this concept is that it allows the board to determine the exemptions by rule. Ms. Erickson said the language needed to be added, "prior to the effective date of this act". She said all the board will be looking for is documentation that will certify that a person has been an auctioneer.

Ms. Erickson read REP. LARSON'S amendment. Section 12. Exemption. A person is exempt from the requirements of [sections 8 and 9, 2 (a), 2 (b), and 2 (d)], if the person files supporting documentation as required by the board by rule prior to [the effective date of this act]."


Question was called to adopt the amendments. Voice vote was taken. Motion CARRIED unanimously.


Motion/Vote: REP. HANSON MADE A SUBSTITUTE MOTION THAT HB 770 DO PASS AS AMENDED. Question was called. Voice vote was taken.

Vote: HB 770 DO PASS AS AMENDED. Motion CARRIED 11 to 5 with REP. STEPLER, REP. BACHINI, REP. BARNETT, REP. KELLER and REP. MCCAFFREE voting no.

ADJOURNMENT

Adjournment: 5:35 p.m.


LINDA NELSON, Chair


CLAUDIA JOHNSON, Secretary

LN/cj

HOUSE OF REPRESENTATIVES

AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE

ROLL CALL

DATE 2-22-91

NAME	PRESENT	ABSENT	EXCUSED
REP. DON STEPLER, VICE-CHAIRMAN	✓		
REP. BOB BACHINI	✓		
REP. JOE BARNETT	✓		
REP. GARY BECK	✓		
REP. JANE DEBRUYCKER	✓		
REP. ROGER DEBRUYCKER	✓		
REP. JIM ELLIOTT			✓
REP. MARIAN HANSON	✓		
REP. HARRIET HAYNE	✓		
REP. VERNON KELLER	✓		
REP. DON LARSON	✓		
REP. JIM MADISON	✓		
REP. ED MCCAFFREE	✓		
REP. JOHN PHILLIPS	✓		
REP. JOHN SCOTT	✓		
REP. LINDA NELSON, CHAIR	✓		


HOUSE STANDING COMMITTEE REPORT

February 22, 1991

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Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that House Joint Resolution 41 (first reading copy -- white) do pass and be placed on consent calendar

Signed: _____

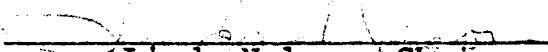

Linda Nelson, Chairman

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

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Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that House Bill 893 (first reading copy -- white) do pass and be placed on consent calendar .

Signed: 
Linda Nelson, Chairman

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that House Bill 888 (first reading copy -- white) do pass as amended .

Signed: 
Linda Nelson, Chairman

And, that such amendments read:

1. Title, line 10.

Strike: "EMPLOYEES"

Insert: "THE EXECUTIVE DIRECTOR"

2. Title, lines 13 and 14.

Strike: "DELETING" on line 13 through ";" on line 14

3. Title, line 17.

Strike: "80-11-206,"

4. Page 5, lines 19 and 20.

Strike: "employees" on line 19 through "to" on line 20

Insert: "executive director of"

5. Page 9, line 9 through page 10, line 15.

Strike: section 6 in its entirety

Renumber: subsequent sections

6. Page 10, line 19.

Following: "-"

Insert: "(1) The committee shall set the amount of the assessment each year in accordance with 80-11-206."

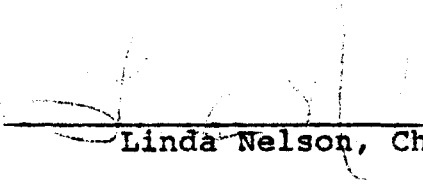
Renumber: subsequent subsections

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that House Bill 770 (first reading copy -- white) do pass as amended .

Signed: 
Linda Nelson, Chairman

And, that such amendments read:

1. Statement of intent, page 1, line 25.

Following: ", "

Insert: "establishing supporting documentation for persons currently engaged in auctioneering,"

2. Page 2, line 1.

Strike: "13"

Insert: "14"

3. Page 2, line 7.

Page 2, line 18

Page 4, line 1

Page 12, line 18

Page 12, line 21

Strike: "17"

Insert: "18"

4. Page 4, line 19.

Following: "year"

Insert: "; and

(9) adopt supporting documentation requirements for persons currently engaged in auctioneering"

5. Page 5, line 1.

Strike: "14"

Insert: "15"

6. Page 5, line 20.
Strike: "12"
Insert: "13"

7. Page 7.
Following: line 24
Insert: "NEW SECTION. Section 12. Exemption. A person is exempt
from the requirements of [sections 8 and 9(2)(a), (2)(b),
and (2)(d)] if the person files supporting documentation, as
required by the board by rule."
Renumber: subsequent sections

Farm Laborers' Lien

71-3-402. How lien obtained. In order to acquire a lien, as specified in 71-3-401, the person performing services shall, within 30 days after the services are fully performed, file in the office of the secretary of state a statement of agricultural lien, as provided in 71-3-125, and the address to which notice must be directed as required by 71-3-404.

History: En. Sec. 2, Ch. 196, L. 1935; re-en. Sec. 8374.2, R.C.M. 1935; R.C.M. 1947, 45-902; amd. Sec. 2, Ch. 295, L. 1987; amd. Sec. 2, Ch. 529, L. 1989.

Compiler's Comments

1989 Amendment: Near beginning, after "office of the", deleted "clerk and recorder in the county in which any of the real estate is situated on which any crop is grown, upon which a lien is claimed, a statement verified by affidavit of the person claiming such lien, his duly authorized agent, or attorney having knowledge of the facts, setting forth the terms of employment, the name of the employer, the time when the services were commenced and when ended, the wages agreed upon, if any, and if not agreed upon then the reasonable value of the same, the terms of payment, if any, and a description of the real estate

on which any crop is grown or has been grown or harvested on which a lien is claimed, the amount paid him, if any, and the amount remaining unpaid and that said laborer claims a lien for the same"; substituted "secretary of state a statement of agricultural lien, as provided in 71-3-125" for former (2) that read: "(2) Notice of the lien also must be filed in the office of the secretary of state as required by 71-3-125"; and made minor change in phraseology.

Applicability: Section 10, Ch. 529, L. 1989, provided: "[This act] applies to agricultural liens filed after September 30, 1989."

Crop or Grain Liens for Spraying or Dusting

71-3-902. How lien obtained. Any person, firm, corporation, or partnership who is entitled to a lien under this part shall, within 60 days after the last labor or service was performed or material furnished in crop dusting or spraying grains or crops, file in the office of the secretary of state a statement of agricultural lien as provided in 71-3-125.

History: En. Sec. 2, Ch. 205, L. 1953; amd. Sec. 1, Ch. 65, L. 1955; R.C.M. 1947, 45-1402; amd. Sec. 11, Ch. 295, L. 1987; amd. Sec. 7, Ch. 529, L. 1989.

Compiler's Comments

1989 Amendment: Near beginning, after "office of the", deleted "county clerk and recorder of the county in which said grains or crops were grown a just and true account of the amount due for such services, labor, or material after allowing all proper credits and offsets and containing a description of the grain or crops to be charged with such lien, the price agreed upon for such labor or service or material or, if no price was agreed upon, the reasonable value of the same, together with the name of the person, firm, or corporation for whom such labor or services were performed or material furnished and

a description of the lands as nearly as possible upon which said grains or crops were raised, which statements of fact shall be verified by affidavit of the person, firm, corporation, or partnership claiming such lien or his, their, or its duly authorized agent or attorney having knowledge of the facts"; substituted "secretary of state a statement of agricultural lien as provided in 71-3-125" for former (2) that read: "(2) Notice of the lien also must be filed in the office of the secretary of state as required by 71-3-125."

Applicability: Section 10, Ch. 529, L. 1989, provided: "[This act] applies to agricultural liens filed after September 30, 1989."

*Crop Liens for Seed or Grain
* Liens for Fertilizer Insurance*

71-3-712. How lien obtained. Any person, company, association, or corporation who is entitled to a lien under 71-3-711 shall, within 30 days after the insurance is issued, file in the office of the secretary of state a statement of agricultural lien as provided in 71-3-125. A mutual company may file a lien for the largest amount that may become due under its assessment power, and in the event that the amount assessed is not as large as the amount of the lien claimed, the amount assessed and due is the amount the mutual insurance company is entitled to under this lien. Unless the person, company, association, or corporation entitled to a lien files the agricultural lien statement within the time required, he or it is considered to have waived the right to a lien.

History: En. Sec. 2, Ch. 223, L. 1921; re-en. Sec. 8364, R.C.M. 1921; re-en. Sec. 8364, R.C.M. 1935; R.C.M. 1947, 45-706; amd. Sec. 7, Ch. 295, L. 1987; amd. Sec. 5, Ch. 529, L. 1989.

Compiler's Comments

1989 Amendment: Near beginning, after "person", inserted "company, association, or corporation" and after "office of the" deleted "county clerk and recorder of the county in which the crop so insured is located a statement in writing verified under oath giving the description of the land upon which the crop is planted, together with the kind of crop insured"; substituted "secretary of state a statement of agricultural lien as provided in 71-3-125" for former (2)

that read: "(2) Notice of the lien also must be filed in the office of the secretary of state as required by 71-3-125"; and made minor changes in phraseology and punctuation.

Applicability: Section 10, Ch. 529, L. 1989, provided: "[This act] applies to agricultural liens filed after September 30, 1989."

Cross-References

- Form of ordinary oath, 1-6-102.
- Affirmation or declaration in lieu of oath, 1-6-104.

EXHIBIT 2
DATE 2-22-91
HB 888



MONTANA WHEAT AND BARLEY COMMITTEE

Research and Marketing

750 Sixth Street S.W. • P.O. BOX 3024, Great Falls, Montana 59403-3024
Telephone (406) 761-7732
FAX (406) 761-7851

JIM CHRISTIANSON
Executive Vice President

My name is Larry Barber. I am a wheat and barley producer from Denton, Montana. I am currently serving my second term as a director of the Montana Wheat and Barley Committee. As I am sure you understand, the Committee is made up of seven producers, each representing a production district of the state. We are appointed by the Governor, but serve the producers, who, through a check-off, contribute a portion of their grain receipts for the purposes of market development and research.

House Bill 888 contains two important issues for the Committee and grain farmers across the state. The first issue is that of statutory appropriations. Since 1981, when the statutes were changed, the wheat and barley check-off monies have been appropriated by the Legislature. As a result, the producer-directors and farmers, who contribute the money must come before the Legislature and request the right to spend their own funds.

The scope of activities which is funded by the Committee is broad and growing each year. Over the last seven years, the average director spent 36.5 days per year serving on Committee business. We see the need for more market development, both domestic and foreign, and new research, if we are to compete in the business of wheat and barley production. What we are asking for in this piece of legislation is for the Legislature to statutorially appropriate to the Wheat and Barley Committee their monies and allow them to spend that money to best serve the needs of the producers they represent. The 1980's showed us that we must be able to maintain

EXHIBIT _____
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HB 888

an adequate reserve for poor years and that the reserve must be safe.

The second issue to us in this legislation is the request to exempt the four employees of the Wheat and Barley Committee office from the State Pay Plan. It is important for us to be able to hire and keep competent, reliable employees. The grain farmers, who voluntarily contribute these check-off dollars, deserve no less than that. Currently, our administrator earns 30% less than the next lowest paid wheat or barley administrator. We in Montana can't expect people to work for that much less than their fellow administrators. Time after time, we have watched our neighboring states, who are both our allies and our competitors in this industry, arm themselves with the best and the brightest people from the private sector industries, both domestically and overseas. Minnesota, North Dakota, Washington, Idaho, Nebraska, and Colorado all have attracted professional market development people from private trading companies and overseas offices because they simply pay more than we are allowed to in Montana.

I cannot see the wheat and barley producers of Montana allowing an abuse of these salary exemptions. We MUST pay good people and we MUST pay to get good people.

I thank you for your time and consideration. If you have any questions, I will be happy to answer them.

EXHIBIT 2
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HB 888



**Montana
Grain
Growers
Association**

P.O. Box 1165 • 750 6th Street S.W. • Great Falls, Montana 59403 • 406/761-4596

Testimony of the Montana Grain Growers Association
on HB888
before the House Agriculture Committee
February 22, 1991

Madam Chairman, Members of the Committee, my name is Chuck Merja. I am a wheat and barley producer from Sun River and am the President of the Montana Grain Growers Association. Our organization supports HB888.

Our organization is a strong supporter of the Montana Wheat and Barley Committee. In fact, 24 years ago, we were instrumental in the passage of the legislation that established the Wheat and Barley Committee. We have watched the Committee become a premier self-help organization that is held in high esteem by other market development and research organizations.

This bill makes two major changes in how the Committee functions. I believe these changes will allow the Committee to even more effectively utilize producer monies to improve and promote Montana's wheat and barley industry. First, this bill would statutorially appropriate the assessment collected on wheat and barley to the Committee. The Committee is governed by seven wheat and barley producers who volunteer a great deal of their time to determine how best to use the assessment. It is their job to design and implement programs to fit their budget. They do a good job of stretching producer funds. We have a great deal of confidence in them. Without exception, they have all made it their job to become experts in the business of promoting Montana wheat and barley. Yet time and time again, we have seen the Legislature overturn their decisions and force the Committee to change their budget. That does not make sense. Producers must have the ability to use their money the way they see fit.

CHUCK MERJA
President

MERLE MULLET
Vice President

JERRY THUESEN
Treasurer

DAVID SAGE
Secretary

The portion of this bill that exempts the Committee employees from the state pay plan is also very important to us. Limiting the salaries of these employees has the potential of severely restricting the effectiveness of the Committee. This industry, which includes other state commissions, U.S. Wheat Associates, the U.S. Feed Grains Council, Foreign Ag Service, the grain trade, commodity brokerage firms and other allied industries, is part of a highly competitive job market. We can not allow the state pay plan to hinder our ability to retain and attract talented people to work in these important positions. The task of promoting our industry is very technical and specialized, requiring not only a high level of knowledge, but personal relationships with others in the industry on a state, national and international level. We cannot have a frequent turnover of staff members.

I know the State Department of Administration will be testifying against this portion of the bill. That is their job and they oppose all exemptions. However, while these four staff members are technically employees of the Department of Agriculture, they are really employees of Montana wheat and barley growers. Montana wheat and barley growers should be free to pay them a salary that is commensurate with the job they do.

I urge you to give HB888 a do-pass recommendation. I'd be happy to answer any of your questions. Thank you.

TESTIMONY OPPOSING HB 888 DEPARTMENT OF ADMINISTRATION

I. Statewide Classification and Pay Act.

The purpose of this bill is to exempt the four Wheat and Barley Committee positions from this Act. Although the bill does not address pay, the effect will be to enable the Wheat and Barley Committee to provide pay rates and raises above and beyond those provided in the statewide pay matrix.

The Act was passed in 1973 to bring order, equity, fairness, and consistency to the state's pay practices. This continues to be a worthy objective.

Exempting a position from the general policy-setting provision is really not the issue since the state's policies are minimum standards necessary to comply with state and federal laws. The Wheat and Barley Committee will have to replicate these minimum standards.

II. Problems with the Classification and Pay Act.

Past legislatures have purposely compressed and frozen the state salary ranges in order to save costs. Consequently, the salary ranges for the grade levels are well below the market, especially for professional salaries.

The state's pay system is deteriorating into a hodgepodge of exceptions and exemptions.

III. Problems with Exemptions to the Act.

Each new exemption encourages others. This trend will send us back to pre-1973 pay practices, when salaries were based on each individual agency's funding source and management style and the state was not paying equal pay for similar work.

Exemptions are not fair to managers who do not have resources or authority to seek exemptions but must compete for employees with managers who have exempt staff.

EXHIBIT 5
DATE 2-22-91
HB 888

HOUSE OF REPRESENTATIVES
AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE

ROLL CALL VOTE

DATE 2-22-91 BILL NO. HB 888 NUMBER _____

MOTION: Substitute to Amend to the Amendment

"to exempt executive directors from
the state pay plan". Passed 12 to 4

NAME	AYE	NO
REP. DON STEPLER, VICE-CHAIRMAN	✓	
REP. BOB BACHINI		✓
REP. JOE BARNETT	✓	
REP. GARY BECK		✓
REP. JANE DEBRUYCKER	✓	
REP. ROGER DEBRUYCKER	✓	
REP. JIM ELLIOTT	✓	
REP. MARIAN HANSON	✓	
REP. HARRIET HAYNE	✓	
REP. VERNON KELLER	✓	
REP. DON LARSON		✓
REP. JIM MADISON	✓	
REP. ED MCCAFFREE	✓	
REP. JOHN PHILLIPS	✓	
REP. JOHN SCOTT		✓
REP. LINDA NELSON, CHAIRMAN	✓	
	12	4

Amendments to House Bill No. 770
First Reading Copy

Requested by Representative Grady
For the Committee on Agriculture, Livestock, and Irrigation

Prepared by Connie Erickson
February 22, 1991

1. Statement of intent, page 1, line 25.

Following: ", "

Insert: "establishing supporting documentation for persons
currently engaged in auctioneering,"

2. Page 2, line 1.

Strike: "13"

Insert: "14"

3. Page 2, line 7.

Page 2, line 18

Page 4, line 1

Page 12, line 18

Page 12, line 21

Strike: "17"

Insert: "18"

4. Page 4, line 19.

Following: "year"

Insert: "; and

(9) adopt supporting documentation requirements for
persons currently engaged in auctioneering"

5. Page 5, line 1.

Strike: "14"

Insert: "15"

6. Page 5, line 20.

Strike: "12"

Insert: "13"

7. Page 7.

Following: line 24

Insert: "NEW SECTION. Section 12. Exemption. A person is exempt from the requirements of [sections 8 and 9(2)(a), (2)(b), and (2)(d)] if the person files supporting documentation, as required by the board by rule, certifying that the person has engaged in the practice of auctioneering for a period of at least 10 years prior to [the effective date of this act]."

Renumber: subsequent sections

EXHIBIT 7
DATE 2-22-91
HB 770

HOUSE OF REPRESENTATIVES
AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE

ROLL CALL VOTE

DATE 2/22 BILL NO. HB 770 NUMBER _____

MOTION: _____
DPAA

NAME	AYE	NO
REP. DON STEPLER, VICE-CHAIRMAN		✓
REP. BOB BACHINI		✓
REP. JOE BARNETT		✓
REP. GARY BECK	✓	
REP. JANE DEBRUYCKER	✓	
REP. ROGER DEBRUYCKER	✓	
REP. JIM ELLIOTT	✓	
REP. MARIAN HANSON	✓	
REP. HARRIET HAYNE	✓	
REP. VERNON KELLER		✓
REP. DON LARSON	✓	
REP. JIM MADISON	✓	
REP. ED MCCAFFREE		✓
REP. JOHN PHILLIPS	✓	
REP. JOHN SCOTT	✓	
REP. LINDA NELSON, CHAIRMAN	✓	
	11	5

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Agriculture COMMITTEE BILL NO. HB893
DATE 2-22-91 SPONSOR(S) Rep. Kasten
PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Agriculture COMMITTEE BILL NO. HR 41
DATE 2-22-91 SPONSOR(S) Rep. Nelson
PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Kay Norenberg</i>	<i>WIFE</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.