

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION

Call to Order: By CHAIR LINDA NELSON, on March 6, 1991, at 2:45 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. Jim 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 SB 181

Presentation and Opening Statement by Sponsor:

SEN. GERRY DEVLIN, Senate District 13, Terry, said this bill is at the request of the Department of State Lands (DSL). He said two years ago he carried a bill similar to this bill, that put a penalty of \$25 for late payment on agriculture leases. It has cut down considerably on second notices that the department sends out. This bill extends that penalty for late payment on other leases that the department administers, e.g., cabin sites. If a deadline goes by for a payment, then the department has to send a certified or registered letter to the lessee at a cost to the state. The trust money is used for schools and is put into interest bearing accounts. He informed the committee that **Mr.**

Hagener from DSL is here to answer any questions the committee members may have.

Proponents' Testimony: None

Opponents' Testimony: None

Questions From Committee Members:

REP. MCCAFFREE asked what was meant by the reference to licenses in the bill. Mr. Hagener said the department has grazing licenses for classified forest land. They go through the same billing cycle as the grazing leases and cabin sites, etc. At this time the penalty does not apply to the grazing licenses. This bill will make the penalty consistent with the other leases. He said they had an instance where a grazing lessee also had grazing licenses. A \$25 penalty was imposed on the lease, but DSL could not impose a penalty on the licenses.

REP. HANSON asked if there was a sunset on this bill. SEN. DEVLIN said no.

Closing by Sponsor:

SEN. DEVLIN thanked the committee for a good hearing and urged the committee for a do pass.

HEARING ON SB 134

Presentation and Opening Statement by Sponsor:

SEN. GERRY DEVLIN, Senate District 13, Terry, said this bill deals with the labeling of hamburger. A meat packer in Miles City informed him that instead of saying hamburger is 15% fat, it should read 85% lean. When he tried to draft the bill that way, he found out the federal government required that the fat percentage be listed. There are leaner varieties of hamburger on the market today, so he updated the three categories of lean. He said there is a fourth category that was added to the list that is even leaner. The bill states that suet can be added to the hamburger, but water cannot be added to it. If anything is mixed in the hamburger then it is called a patty mix. SEN. DEVLIN said Mr. Campbell was here from the Department of Health and Environmental Sciences to answer any questions on the labeling of various meats and their requirements.

Proponents' Testimony:

Connie Townsend, Montana Stockgrower Association, said they want to express their support for positive marketing opportunities for Montana beef. Retailers tell them there is a distinct disadvantage in the negative impression that is given consumers through the labeling of the fat content of ground beef rather than the positive image Montana would get if they register the

lean content of the product. She said the change would be accomplished by this bill if the lean content can be listed for advertising and labeling purposes as well as the fat content. This will foster a better business climate in Montana due to the fact that a lot of the grocery chains are headquartered out of the state and have their labeling and advertising done out-of-state. Much of this is done in the state of Washington. When the printing is done for a number of states, the labels are standardized. When the labels enter Montana they have to be rewritten in order to meet present law requirements. If the economy grade can be renamed and a leaner grade added at the other end of the scale, then Montana will be in compliance with federal standards and other states. Other states do not have economy grade. She said the consumers perceive this as an inferior product and more suitable for low-income families. She urged the committee's consideration of SB 134 to help bring that portion of the retail market in compliance with federal rules and regulations. She entered for the record a letter from the URM Stores Inc. in Washington. They have multi store owners throughout the northwest and Montana. They are the ones that are involved with the printing of the labels that would help bring Montana into compliance with the other states and the federal government. EXHIBIT 1 and 2.

Carol Mosher, Montana Cattlewomen, spoke in favor of SB 134. It is unfair to the Montana beef industry to negatively portray a Montana product by calling attention to only the fat content of the hamburger, while other states have the advantage of listing both the fat and the lean content. As an industry, the beef producers of Montana should be able to work with those that sell Montana beef and benefit from their experiences. Retailers have requested a fourth grade of ground beef be allowed. This bill will provide that option. She urged the committee to approve this bill.

Bill Stevens, Montana Food Distributor's Association, said as far as the retailer grocers in Montana are concerned, they urge the committee to pass this bill. It will help in the marketing of Montana beef. The society today wants leaner beef.

Opponents' Testimony: None

Questions From Committee Members:

REP. BECK wanted to know how much Montana beef comes back into the state after it is sold and leaves the state of Montana. Mr. Stevens said he didn't know. There are few meat packers in the state. The retail industry and the beef industry are working to keep Montana beef in the state.

Closing by Sponsor:

SEN. DEVLIN thanked the committee for a good hearing.

EXECUTIVE ACTION ON SB 181

Motion: REP. BACHINI MOVED SB 181 BE CONCURRED IN.

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

Vote: SB 181 BE CONCURRED IN. Motion CARRIED unanimously.

EXECUTIVE ACTION ON SB 134


Motion: REP. BACHINI MOVED SB 134 BE CONCURRED IN.

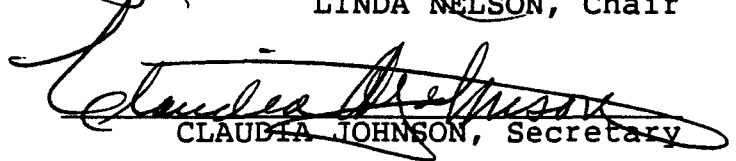
Motion/Vote: Question was called. Voice vote was taken.

Vote: SB 134 BE CONCURRED IN. Motion CARRIED unanimously.

ADJOURNMENT

Adjournment: 4:15 p.m.


LINDA NELSON, Chair


CLAUDIA JOHNSON, Secretary

LN/cj

HOUSE OF REPRESENTATIVES

AGRICULTURE, LIVESTOCK AND IRRIGATION COMMITTEE

ROLL CALL

DATE 3-6-91


NAME	PRESENT	ABSENT	EXCUSED
REP. DON STEPPLER, 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

March 6, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that Senate Bill 181 (third reading copy -- blue) be concurred in .

Signed: 
Linda Nelson, Chairman

Carried by: Rep. Kasten

HOUSE STANDING COMMITTEE REPORT

March 6, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Agriculture, Livestock, and Irrigation report that Senate Bill 134 (third reading copy -- blue) be concurred in .

Signed: Linda Nelson, Chairman

Carried by: Rep. Zook

TESTIMONY IN SUPPORT OF
SENATE BILL NO.134

"An Act revising the labeling requirements for certain hamburger....."

My name is Connie Townsend. I am a cattle producer and a member of the Montana Stockgrowers and Montana CattleWomen...and as such I wish to express our concern for positive marketing opportunities for our product: BEEF.

Retailers tell us there is a distinct disadvantage in the negative impression given consumers through the labeling of the fat content of ground beef rather than the positive image that could be produced by listing the lean content. We respectfully request your permission to make this possible by allowing a change in the law so that the lean content can be listed for advertising/labeling purposes as well as the fat content.

Not only will this help consumer perception, but it will foster a better business climate in Montana due to the fact that grocery chains operating in the state (but headquartered out-of-state) have much of their printing done in the state of Washington. When the printing is done for a number of states where the labels are standardized, Montana is out of sync. This means the labeling/advertisements must have a disclaimer put on them or else be re-written to be used in Montana.

The other part of this Bill deals with semantics. Here again, it is a matter of giving the consumers of our product what they desire. Renaming the "Economy" grade and adding an additional leaner grade will also put Montana in compliance with Federal standards and in sync with other states in the region. In addition, it would remove a perceived negative image formed by the average consumer who has conveyed to retailers that the word "Economy" is often interpreted as being of inferior quality or a product intended for low-income consumers.

We urge your consideration of SB134 in the light of not only helping an important segment of Montana's economy, but also in the light of putting this portion of the retail market in compliance with Federal rules and regulations. A better business climate for our state cannot help but be a result. Thank you!



P.O. BOX 3365
N. 7511 FREYA
SPOKANE, WA 99220-3365
509 467-7670

EXHIBIT 2
DATE 3-6-91
HB SB 134

To whom it may concern:

Subject: Ground beef
a.) Labeling
b.) Fat % - lean ratios

URM Stores Inc services many multi store owner members throughout the northwest. Many of these store owners have stores in Montana along with other stores in connecting states. When advertising ground beef, many ad break outs (change of discription) have to be done to accomodate Montana laws regarding different fat to lean content. These are very costly over a period of time. We have found these fat to lean ratios to be of no added value in the sales of ground beef over and above federal standards, only the extra cost of advertising.

We at URM Stores Inc recommend the following federal standards, which reads:

regular ground beef	-	lean 70%	-	fat 30%
lean ground beef	-	lean 77%	-	fat 22.5%
x-lean ground beef	-	lean 84%	-	fat 16% or under

Due to customer demand for lower cholesteral and lower fat a 4th grade of ground beef is now needed. With the added cost of producing this product a new set of specifications is a must, this product would be called diet lean or super lean. Recommended fat content 12% or less, lean content 88% or better.

Thank you,

Al Knudtson
URM Stores Inc

EXHIBIT 3
DATE 3-6-91
HB SB 134

TESTIMONY IN SUPPORT OF SENATE BILL NO. 134 -- HOUSE AG COMMITTEE

The Montana CattleWomen would like to voice their support for this bill.

We represent producers who work hard to produce a product and market it accordingly. We feel that it is unfair to the Montana beef industry to negatively portray our product by calling attention to only the fat content of the package while other state have the advantage of listing both the fat and lean content.

We also feel we should be able, as an industry, to work with those who sell our product and benefit from their experience. Retailers have requested a fourth grade of ground beef be allowed.

This bill, as amended, provides these options. We urge your positive action in approving this bill. Thank you!

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Agriculture COMMITTEE BILL NO. SB181
DATE 3-6-91 SPONSOR(S) Sen Newlin

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Teff Hager</i>	<i>OSL</i>	<i>X</i>	

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

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

APRICULTURE

DATE 3-6-91

SPONSOR(S) Sen. Devlin

COMMITTEE

BILL NO. SB 134

PLEASE PRINT

PLEASE PRINT

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PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
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