

MINUTES

MONTANA SENATE 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON AGRICULTURE, LIVESTOCK & IRRIGATION

Call to Order: By **CHAIRMAN CHUCK SWYSGOOD**, on March 3, 1995, at 3:25 p.m.

ROLL CALL

Members Present:

Sen. Charles "Chuck" Swysgood, Chairman (R)
Sen. Gerry Devlin, Vice Chairman (R)
Sen. Thomas A. "Tom" Beck (R)
Sen. Don Hargrove (R)
Sen. Ric Holden (R)
Sen. Reiny Jabs (R)
Sen. Greg Jergeson (D)
Sen. Linda J. Nelson (D)
Sen. Bob Pipinich (D)

Members Excused: None

Members Absent: None

Staff Present: Doug Sternberg, Legislative Council
Jennifer Gaasch, Committee Secretary

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

Committee Business Summary:

Hearing: HB 280, HB 235, and HB 564
Executive Action: HB 386, HB 280, HB 564, and HB 235

{Tape: 1; Side: A}

HEARING ON HB 280

Opening Statement by Sponsor:

REPRESENTATIVE JOE BARNETT, HD 32, Belgrade, presented HB 280. **REP. BARNETT** stated HB 280 would move the Board of Milk Control from the Department of Commerce to the Department of Livestock.

Proponents' Testimony:

Les Graham, representing the Montana Dairy Association, stated the dairy industry was united in support of this issue. If SB 364 passes they would ask the Governor's office, on page 1, lines 14-20, to take out from the word "in addition" through "schools" in line 20. They support HB 280.

Mark Bridges, representing the Board of Livestock, stated they were in support of HB 280. Since they already regulate the licensing of dairies and the manufacturing of dairy products, they should have control over the Board of Milk Control.

Ward Shanahan, representing Meadow Gold, said if they would make that correction upon the passage of SB 364, HB 280 had their full support.

Bob Buchini, representing Dairygold, stated they supported HB 280.

Maureen Cleary-Schwinden, representing WIFE, stated they supported HB 280.

Larry Brown, representing the Agricultural Preservation Association, stated they support HB 280.

Opponents' Testimony:

None

Informational Testimony:

None

Questions From Committee Members and Responses:

SENATOR GREG JERGESON asked where in the bill is there any reference to item 1 in the Statement of Intent about lowering prices? **Les Graham** said the Statement of Intent was put in after the drafting process. That was done at a time when they were negotiating SB 116. They felt they wanted the first sentence in there to make sure it was the intent of the legislature that whatever came through, the Department of Livestock would continue to enforce it in a consistent manner. **Ward Shanahan** said the intent was because they were changing a board over to another department and they were not sure the rulemaking authority was there, which in turn requires a statement of intent.

SEN. JERGESON asked if **Ward Shanahan** would object if he was to offer an amendment to take out of the Statement of Intent that somehow lower milk prices are going to be the salvation of the dairy industry? **Ward Shanahan** noted that from line 14 "in addition" to the end of "that" on line 20 would have to be stricken from the bill if SB 364 passes. The first sentence was saying that the rules would be moving over to the Department of Livestock.

Closing by Sponsor:

REP. BARNETT said that it was the intent that all rules that were in the Department of Commerce would be transferred over to be

enforced by the Department of Livestock. He said that **SENATOR DON HARGROVE** would carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 386

Motion:

SENATOR GERRY DEVLIN MOVED TO CONCUR IN HB 386.

Discussion:

SENATOR REINY JABS said on page 2, line 30, it says "a satellite video livestock auction may transact business in the state only through a licensed livestock dealer or through the livestock market that is domiciled in the state". He asked what that meant.

CHAIRMAN SWYSGOOD replied he either had to use a licensed buyer or a licensed livestock auction.

SEN. JABS said that would not exclude Superior out of Denver then.

CHAIRMAN SWYSGOOD replied not if they go through one of the field agents licensed in Montana.

SEN. DEVLIN replied if they do not do the auction within the state, then they do not need anything. If they come to Montana and do the auction, then they have to set up the custodial account and meet the other requirements.

Vote:

The MOTION CARRIED UNANIMOUSLY.

SENATOR TOM BECK will carry HB 386.

EXECUTIVE ACTION ON HB 280

Motion:

SEN. JERGESON MOVED an amendment on page 1, line 14 following "livestock" strike all of the language through line 20.

Discussion:

CHAIRMAN SWYSGOOD replied that would be striking the word "in addition to" on through "schools" on line 20.

SEN. JERGESON said he was offended when it says in the Statement of Intent that the legislature intends that producers ought to get lower prices for their product. It may result in lower prices, but it should not be in the Statement of Intent.

SEN. DEVLIN replied he did not see any reason for that being in there any way.

CHAIRMAN SWYSGOOD replied that by moving the rules from Commerce to Livestock allows them to do that without the legislature telling them to do it. They need to leave the first part of the Statement of Intent in the bill because they are moving rules.

Vote:

The MOTION CARRIED UNANIMOUSLY.

Motion:

SEN. JABS MOVED TO CONCUR IN HB 280 AS AMENDED.

Vote:

The MOTION CARRIED UNANIMOUSLY.

SENATOR DON HARGROVE will carry HB 280 on the Senate floor.

HEARING ON HB 235

Opening Statement by Sponsor:

REPRESENTATIVE EDWARD GRADY, HD 55, Canyon Creek, said the Auditor's office requested the Department of Agriculture to make some changes. He said HB 235 amends the Noxious Weed Trust Fund Act. The amendments delete a reference to the herbicide surcharge, which by present statute is terminated because the fund has reached its cap of \$2.5 million. Specific language is included so that interest earned would be deposited into that special revenue account. The administration costs can not exceed 12% of the total program costs. The remainder of the funds are for noxious weed grants and research projects. The amendments to the Fertilizer Act are based upon the auditor's recommendation that "clarification is needed to allow the department to charge anhydrous fees". The interest would be credited to that account. The amendment of the Alfalfa Seed Act clarifies that the interest received on the investments on the alfalfa seed assessment shall remain in that fund. Section 80-11-306 provides that the State of Montana is not liable for acts or omissions of the committee or any member, officer, agent, or employee thereof. That section bases the alfalfa seed committee on the same places as other government committees preventing undue exposure to those serving on the committee.

Proponents' Testimony:

Ralph Peck, representing the Department of Agriculture, said REP. GRADY explained the bill well. They urged the committee to pass HB 235.

Jim Freeman, the Cascade County weed supervisor, replied he was a supporter of the noxious weed trust fund and agreed with the changes.

Bill Otten, Missoula County weed supervisor and representing the Missoula County Weed Board, stated they supported HB 235.

Ed Kerby, the Montana Manager for United Right of Way and the past weed supervisor for two counties in Montana, stated they supported HB 235.

Ann Rowser, the Broadwater County weed supervisor, stated they supported HB 235.

There was a letter sent to the CHAIRMAN. (EXHIBIT #1)

Opponents' Testimony:

Larry Brown, representing the Agriculture Preservation Association, stated they did not agree with page 3, section 4, line 12. He said their concern was "The cost of administering the program may not exceed 12% of the total program expenses." "May not exceed 12%" gives the department leeway, but that seemed like quite a bit of money. Does the department need 12%?

Informational Testimony:

None

Questions From Committee Members and Responses:

SENATOR RIC HOLDEN asked REP. GRADY to reply to the 12%. REP. GRADY said there never has been a limit on it. Ralph Peck replied they have been using the money from the revenue that they generate and the legislative auditor told them to clarify the language. They met with the weed control people and they wanted a cap. The "not to exceed 12%" was at their request. There is no cap currently and the current administrative costs of the weed board are around 9.7%.

SEN. DEVLIN asked Larry Brown where they think it should be put? Larry Brown replied the money could go to the districts. That would be fine. If the program cannot operate on anything any higher than 12%, then that is fine.

Closing by Sponsor:

REP. GRADY said he would be cautious about lowering that percentage.

HEARING ON HB 564

Opening Statement by Sponsor:

REPRESENTATIVE CLIFF TREXLER, HD 59, Corvallis, said HB 564 was a bill that on page 3, line 28, changes the old method of inspecting cattle, when they used to haul them to market anytime from March 31 to November 30 of the calendar year, they could have one brand inspection and take them to and from the pasture. The changes are that they find that people are taking cattle to pasture earlier and they are bringing them home much later. The Department of Livestock said it should go into effect right away. He passed out amendments. (EXHIBIT #2)

Proponents' Testimony:

Mark Bridges, representing the Department of Livestock, stated they supported HB 564 and it will make the grazing permit system easier.

Jennifer Hill, representing the Montana Stockgrowers Association, stated they supported HB 564.

Maureen Cleary-Schwinden, representing WIFE, said they supported HB 564.

Larry Brown, representing the Agricultural Preservation Association, stated they supported HB 564.

Opponents' Testimony:

None

Informational Testimony:

None

Questions From Committee Members and Responses:

None

Closing by Sponsor:

REP. TREXLER said he would like SENATOR HOLDEN to carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 564

Motion:

SEN. PIPINICH MOVED the amendment to HB 564.

Discussion:

SEN. JABS said there was a mistake on the first amendment. Instead of line 7, it should be line 6, and instead of line 8, it should be line 7.

Doug Sternberg said they could adopt the amendments in concept and he would clean up the language.

Vote:

The MOTION CARRIED UNANIMOUSLY.

Motion:

SEN. PIPINICH MOVED TO CONCUR IN HB 564 AS AMENDED.

Discussion:

SEN. BECK said they do take cattle to community pastures and there are a lot of other cattle in there. They usually require a branding inspector at the other end to make sure the cattle are sorted correctly. He asked if there was anything in the bill that says you cannot still do that.

Mark Bridges replied that was correct.

Vote:

The MOTION CARRIED UNANIMOUSLY.

SENATOR HOLDEN will carry HB 564 on the Senate floor.

EXECUTIVE ACTION ON HB 235

Motion:

SEN. BECK MOVED TO CONCUR IN HB 235.

Discussion:

CHAIRMAN SWYSGOOD asked **Doug Sternberg** about the repealers. They are repealing the section that has a surcharge so that will be no longer.

Doug Sternberg replied 80-7-812 specifically imposed the surcharge on the retail sale of herbicides and that section would be repealed.

CHAIRMAN SWYSGOOD said the penalty for that would be gone also.

Doug Sternberg replied that was correct.

CHAIRMAN SWYSGOOD noted the penalties as relating to the Alfalfa Seed Board and that was the last repealer. Where does that fall under as it relates to the liability of the state? He said there must be some type of relation to the state liability for the boards and commission. If they are repealing a state liability as relating to that particular commission, what have they done?

Doug Sternberg replied currently it reads that the state is not liable for the acts or omissions of the committee.

CHAIRMAN SWYSGOOD replied they were repealing that and it says the state is liable.

Doug Sternberg replied it would make the state liable for the acts or omissions of the committee or any member, officer, agent, or employee thereof. That was the Alfalfa Seed Committee.

CHAIRMAN SWYSGOOD asked if other boards had a similar liability?

Doug Sternberg replied he thought it would make the state's liability with regard to the acts or omissions of this committee consistent with other committees. He could look into that.

CHAIRMAN SWYSGOOD replied he had that concern and if it was in line with other committees that would be fine, but if it wasn't then they do not want to do that.

SEN. JERGESON replied they could hold up the report until getting the answer on that.

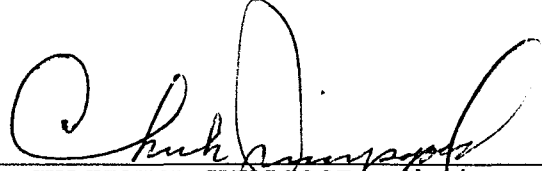
SEN. BECK asked if he could find out why that was originally put in the bill.

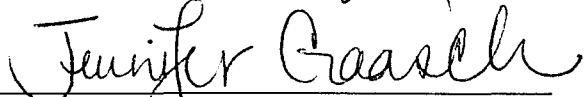
Doug Sternberg replied he would check on that.

SEN. BECK WITHDREW HIS MOTION TO CONCUR IN HB 235.

ADJOURNMENT

Adjournment: 4:00 p.m.



CHAIRMAN SWYSGOOD, Chairman

JENNIFER GAASCH, Secretary

CS/jg

MONTANA SENATE
1995 LEGISLATURE
AGRICULTURE COMMITTEE

ROLL CALL

DATE _____

3-3-95

[illegible]

SEN:1995
wp.rollcall.man
CS-09

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 4, 1995

MR. PRESIDENT:

We, your committee on Agriculture, Livestock, and Irrigation having had under consideration HB 280 (third reading copy -- blue), respectfully report that HB 280 be amended as follows and as so amended be concurred in.

Signed: 
Senator Chuck Swysgood, Chair

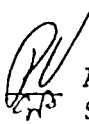
That such amendments read:

1. Page 1, lines 14 through 20.

Following: "LIVESTOCK." on line 14

Strike: remainder of line 14 through "SCHOOLS." on line 20

-END-

 Amd. Coord.
Sec. of Senate

SEN. HARGROVE
Senator Carrying Bill

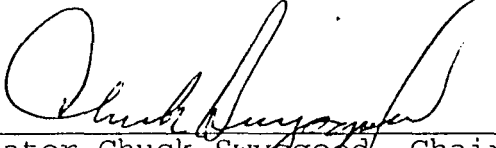
511003SC.SPV

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 4, 1995

MR. PRESIDENT:

We, your committee on Agriculture, Livestock, and Irrigation having had under consideration HB 564 (third reading copy -- blue), respectfully report that HB 564 be amended as follows and as so amended be concurred in.

Signed: 
Senator Chuck Swysgood, Chair

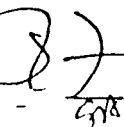
That such amendments read:

1. Title, line 6.
Strike: "AND"

2. Title, line 7.
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 4, line 8.
Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval."

-END-

 Amd. Coord.
Sec. of Senate

SEN. HOLDEN
Senator Carrying Bill

511003SC.SRF

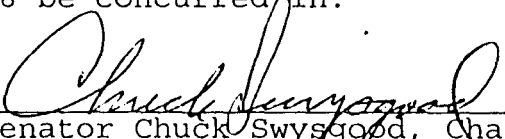
SENATE STANDING COMMITTEE REPORT


Page 1 of 1
March 4, 1995


MR. PRESIDENT:

We, your committee on Agriculture, Livestock, and Irrigation having had under consideration HB 386 (third reading copy -- blue), respectfully report that HB 386 be concurred in.

Signed:


Senator Chuck Swysgood, Chair

 Amd. Coord.

 Sec. of Senate

SEN. BECK
Senator Carrying Bill

511007SC.SPV

SENATE AGRICULTURE

EXHIBIT NO. 1

DATE 3-3-95

BILL NO. HB 235

Pat Kountz - Weed Supervisor
Jefferson Co. Weed District
Jefferson Co. Courthouse
Boulder, Montana 59632
3/3/95

To: Ag/Livestock, Irrigation Committee - Chuck Swysgood, Chairman

Re: Support of HB 235

Dear Ag/Livestock Irrigation Committee members,

I'm writing to you to voice support for the passage of HB 235. I, and the chairperson of our Weed Board have reviewed HB 235, and feel that passage of this bill, by removing the herbicide surcharge may result in a reduction in the costs of herbicides to end users, and may also reduce the paperwork necessary to keep track of the surcharge funds.

Sincerely,

Pat Kountz

Pat Kountz - Jefferson Co. Weed Supervisor

HOUSE BILL 564
AMENDMENTS

1. Page 1, line 7
Following: ","
Strike: and
2. Page 1, line 8
Following: "MCA"
Insert: and providing an immediate effective date.
3. Page 4, line 5
Insert: NEW SECTION Section 2. EFFECTIVE DATE. [This Act] is effective on passage and approval.

DATE March 3, 1995

SENATE COMMITTEE ON Agriculture

BILLS BEING HEARD TODAY: HB 280, HB 235, HB 564

Executive Action HB 386

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
James S. Freeman	CASCADE COUNTY	285	X	
Ann Rausser	Brookwater Co.	235	x	
Bill Cullen	Missoula Co	235	X	
Les Krohn	Various Bq Groups	280	X	
MARC BRIDGES	Mt. DEPT. OF LIVESTOCK	280 564 386	X	
LELAND SHAWHAN	Meadowgold Farms	280	X	
Ed Zaby	United Right of Way	235	X	
Jennifer Hill	MSGA	564	—	
Bob Bachini	Darigold	280	X	
Larry Brown	Ag Pres. Assoc	564	✓	
" "	Ag Pres Assoc	235		X Amend
Maureen Cleary-Schwinden	WIFE	280	X	
" "	"	235	←	→
		564	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY