

1 *House* BILL NO. *398*  
 2 INTRODUCED BY *Stott Gunderson Underdal* *Doug Murphy*  
 3 *Robert Harper* *Kummerfeldt* *James E. Hume* *Blair*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A DIVISION OF *Bradley*  
 5 LIVESTOCK MARKETING RESEARCH IN THE MONTANA DEPARTMENT OF  
 6 AGRICULTURE TO CONDUCT RESEARCH INTO ALL PHASES OF LIVESTOCK  
 7 CULTURE, PRODUCTION, MARKETING AND USE; LEVYING AN  
 8 ASSESSMENT OF ONE (1) MILL PER LIVESTOCK UNIT TO COVER THE  
 9 EXPENSE OF RESEARCH AND THE ADMINISTRATION OF THIS ACT;  
 10 PROVIDING FOR AN EFFECTIVE DATE, JULY 30, 1975."

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

12 Section 1. Short title. This act may be cited as the  
13 "Montana Livestock Research and Marketing Act."

14 Section 2. Declaration of policy. In the presence of  
15 the facts that livestock are a principal commodity produced  
16 in Montana, and as such are an agricultural resource of the  
17 first magnitude in the economy of the inhabitants of  
18 Montana, a prime factor in the production of wealth and the  
19 development and stabilization of property values and of  
20 activities and enterprises which are bases and sources of  
21 important contributions by taxation to the public revenues,  
22 and that Montana livestock are a commodity which enters a  
23 world market highly competitive in character, it is hereby  
24 declared to be the public policy of the state of Montana to  
25

1 protect and foster the health, prosperity, and general  
2 welfare of its people by encouraging and promoting  
3 intensive, scientific, and practical research into all  
4 phases of livestock culture and production, marketing and  
5 use and into the development of markets for livestock raised  
6 in Montana by the department of agriculture of the state of  
7 Montana and the division of livestock research therein as  
8 constituted by this act.

9 Section 3. Establishment of division. (1) There is a  
10 division of livestock research and marketing in the  
11 department of agriculture of the state of Montana. The  
12 division consists of:

- 13 (a) the appointive administrative committee provided
- 14 in this act,
- 15 (b) the director of agriculture, ex officio, and
- 16 (c) a chief executive officer of the division known as
- 17 the administrator of livestock research and marketing.

18 (2) The director of the department of agriculture,  
19 acting with the advice and consent of the appointive  
20 administrative committee, shall appoint the administrator of  
21 livestock research and marketing, and subordinate  
22 secretarial and clerical assistance.

23 (3) No research or professional or scientific  
24 personnel may be employed to carry out the provisions of  
25 this act except as provided in section 18.

1 (4) Other powers prescribed by this act for the  
 2 division are placed in and may be exercised by the  
 3 administrative committee; the duties prescribed by this act  
 4 shall be carried out by the administrative committee and it  
 5 has general supervision of all activities and personnel, but  
 6 it may delegate details of supervision and administration to  
 7 the administrator of livestock research and marketing, or to  
 8 the director of agriculture.

9 Section 4. Definitions. As used in this act:

10 (1) "Committee" means the administrative committee  
 11 known as the Montana Livestock Research and Marketing  
 12 Committee;

13 (2) "Producer" means any person personally engaged in  
 14 producing livestock, a tenant of the person personally  
 15 engaged in producing livestock, or both the owner and the  
 16 tenant jointly; and includes a person, partnership,  
 17 association, corporation, cooperative trust, and any and all  
 18 other business units, devices, and arrangements;

19 (3) "First purchaser" means any person, public or  
 20 private corporation, association, or partnership buying,  
 21 accepting for shipment, or otherwise acquiring the property  
 22 in or to livestock from a producer, and shall include a  
 23 mortgagee, pledgee, lienor, or other person, public or  
 24 private, having a claim against the producer, where the  
 25 actual or constructive possession of these livestock is

1 taken as part payment or in satisfaction of a mortgage,  
 2 pledge, lien, or claim;

3 (4) "Commercial channels" means the sale of livestock  
 4 for any use, when sold to any commercial buyer, dealer,  
 5 processor, cooperative, or to any person, public or private,  
 6 who resells any livestock or product produced from  
 7 livestock;

8 (5) "Sale" includes any pledge or mortgage of  
 9 livestock, to any person, public or private;

10 (6) "Administrator" means the head of the livestock  
 11 research and marketing division provided in section 3 of  
 12 this act;

13 (7) "Division" means the division of livestock  
 14 research and marketing of the department of agriculture  
 15 created under this act;

16 (8) "Director" means the head of the department of  
 17 agriculture.

18 Section 5. Committee -- appointment -- members --  
 19 terms. (1) The governor of the state of Montana shall  
 20 appoint an administrative committee known as the Montana  
 21 livestock research and marketing committee. The committee  
 22 shall:

23 (a) advise and direct the administrator;

24 (b) be primarily responsible for the enforcement and  
 25 application of this act; and

1 (c) be responsible for conducting basic research and  
2 market development, and other programs of the division and  
3 its objectives as herein stated.

4 (2) The committee is composed of:

5 (a) seven members each of whom is a citizen of  
6 Montana, and each of whom derives a substantial portion of  
7 his income from producing livestock in Montana,

8 (b) three (3) ex officio members (who shall not vote  
9 upon any decisions, orders or regulations of the committee):

10 (i) the director,

11 (ii) the dean of agriculture of Montana state  
12 university,

13 (iii) a representative of the livestock industry in  
14 Montana who is elected by majority vote of the seven (7)  
15 appointed members of the committee, and who serves at the  
16 pleasure of the committee.

17 (3) One member of the committee shall be appointed  
18 from each of the following districts, and shall be a  
19 resident of, and have ranching operations in the district  
20 from which appointed:

21 District 1. consisting of Daniels, Phillips,  
22 Roosevelt, Sheridan, and Valley counties;

23 District 2. consisting of Dawson, Garfield, McCone,  
24 Prairie, Ricnland, and Wibaux counties;

25 District 3. consisting of Carter, Custer, Fallon,

1 Powder River, Rosebud, and Treasure  
2 counties;

3 District 4. consisting of Blaine, Hill, and Liberty  
4 counties;

5 District 5. consisting of Cascade, Chouteau, Glacier,  
6 Pondera, Teton, and Toole counties;

7 District 6. consisting of Fergus, Golden Valley,  
8 Judith Basin, Musselshell, Petroleum, and  
9 Wheatland counties;

10 District 7. consisting of Big Horn, Carbon,  
11 Stillwater, Sweet Grass, and Yellowstone  
12 counties;

13 District 8. consisting of Broadwater, Jefferson, and  
14 Lewis & Clark counties;

15 District 9. consisting of Gallatin, Meagher, and Park  
16 counties;

17 District 10. consisting of Flathead, Lake, Lincoln, and  
18 Sanders counties;

19 District 11. consisting of Mineral, Missoula, and  
20 Ravalli counties;

21 District 12. consisting of Beaverhead, Deer Lodge,  
22 Granite, Madison, Powell, and Silver Bow  
23 counties.

24 (4) A list of nominees for appointment to the  
25 committee may be submitted to the governor by the Montana

1 cattlemens association -- international, national farmers  
 2 organization, farmers' union, grange, farm bureau, pork  
 3 producers, wool growers and the Montana stockgrowers. Each  
 4 nominee shall be from the district for which the appointment  
 5 is made. The first list of nominees shall be submitted in  
 6 less than thirty-one (31) days after the effective date of  
 7 this act and thereafter names of nominees shall be submitted  
 8 in less than ninety-one (91) days prior to the expiration of  
 9 any committeeman's term.

10 (5) A committee member is appointed for a term of five  
 11 (5) years, except that the terms of office of the committee  
 12 members first appointed are as follows:

- 13 District 1 for four (4) years;  
 14 District 2 and 8 for five (5) years;  
 15 District 3 and 9 for five (5) years;  
 16 District 4, 10 and 11 for one (1) year;  
 17 District 5 and 12 for two (2) years;  
 18 District 6 for four (4) years;  
 19 District 7 for three (3) years.

20 (6) No more than four (4) appointed members of the  
 21 committee may be of the same political party. Members  
 22 appointed to fill unexpired terms shall be appointed for the  
 23 remainder of the unexpired term.

24 Section 6. Compensation. Members of the committee  
 25 receive no salary, but are paid, from the livestock research

1 and marketing earmarked revenue account, a per diem of  
 2 twenty-five dollars (\$25) for each day they are actually and  
 3 necessarily engaged in the transaction of official business  
 4 under this act, together with their actual and necessary  
 5 expenses incurred while on official business.

6 Section 7. Removal from committee membership. Any  
 7 member of the committee may be removed by the governor for  
 8 malfeasance, misfeasance or neglect of duty. No removal  
 9 proceedings shall be entertained or prosecuted except upon  
 10 written charges, duly verified. The member shall be given a  
 11 copy of the written charges against him upon any one or more  
 12 of said grounds at least ten (10) days in advance of any  
 13 hearing upon the charges, and the member shall be accorded a  
 14 full and fair public hearing before the governor with right  
 15 to counsel and to witnesses in his behalf. Any member of  
 16 the committee:

- 17 (1) ceasing to be a resident of the state of Montana,  
 18 (2) ceasing to live in the district from which he was  
 19 appointed, or,  
 20 (3) ceasing to be actually engaged in producing  
 21 livestock in the state or district, shall be automatically  
 22 disqualified from continuing as a member by the occurrence  
 23 of any of these events. If the member refuses to recognize  
 24 his disqualification, the refusal constitutes cause for  
 25 removal, and his office as committee member becomes vacant.

1 Section 8. Committee meetings. At the first meeting of  
2 the committee, it shall elect a chairman from among its  
3 members. The committee shall meet at least once every three  
4 (3) months and at other times as called by the chairman or  
5 by any three (3) members of the committee.

6 Section 9. Committee powers. (1) The committee may:

7 (a) Adopt rules necessary and advisable for efficient  
8 administration of this act;

9 (b) Promptly and effectively enforce the provisions of  
10 this act; and

11 (c) Conduct adequate, intensive, and timely research  
12 into the production, marketing, and uses of livestock in all  
13 phases and relationships.

14 (d) Enter into written contracts or agreements with  
15 recognized research agencies, public or private, within or  
16 without the state of Montana, for the purposes of, but not  
17 limited to, improving quality, increasing the efficiency of  
18 production, developing marketing knowledge, developing  
19 markets, and determining new uses for livestock.

20 (2) None of the duties, authorities and powers set  
21 forth in this act and delegated to the committee may be  
22 construed to mean or permit participation in state or  
23 federal political action.

24 Section 10. Office location. The department of  
25 agriculture shall establish, upon recommendation of the

1 committee, an administrative office in the state of Montana  
2 at any place suitable for the efficient administration of  
3 this act. The expense of staffing and maintaining the  
4 office is an expense of administration under this act.

5 Section 11. Annual levy. (1) There is levied an annual  
6 assessment of one (1) mill per livestock unit upon all  
7 livestock produced in the state of Montana, and sold through  
8 commercial channels after July 30, 1975. This assessment is  
9 levied and imposed on each livestock producer in the state  
10 of Montana. At the time of any sale of livestock by a  
11 producer, the levy shall be collected by the first purchaser  
12 of the livestock from the producer at the time of each  
13 settlement for livestock purchased.

14 (2) The assessment levied under the provisions of this  
15 act, shall be deducted and collected as provided by this  
16 act, whether livestock are held in this or any other state.  
17 The assessment attaches to each transaction, but no producer  
18 is subject to assessment more than once regardless of the  
19 number of times the livestock are the subject of a sale,  
20 pledge, mortgage or other transaction, the assessment is  
21 imposed and attaches on the initial sale, pledge, mortgage  
22 or other transaction in which the livestock producer parts  
23 with title to the livestock, or creates some interest  
24 therein in a pledgee, mortgagee or other person.

25 Section 12. Levy not applicable. The assessment levied

1 and imposed by the provisions of this act, shall not apply  
 2 to the sale of livestock to the federal government, for  
 3 ultimate use or consumption by the people of the United  
 4 States, where the state of Montana is prohibited from  
 5 imposing a tax by the constitution of the United States and  
 6 valid laws enacted pursuant thereto.

7 Section 13. Invoices -- delivery of -- clearly  
 8 written. (1) The purchaser of the livestock at the time of  
 9 settlement of a sale, or the pledgee or mortgagee or other  
 10 lender at the time of the loan or advance, shall make and  
 11 deliver separate invoices for each purchase to the producer.  
 12 These invoices shall be on forms approved by the committee  
 13 showing:

- 14 (a) the name and address of the producer and seller,
- 15 (b) the name and address of the purchaser or the  
 16 lender,
- 17 (c) the number of livestock sold, mortgaged, or  
 18 pledged, and
- 19 (d) the date of the purchase, mortgage, or pledge and  
 20 the amount of assessment collected and remitted to the  
 21 director.

22 (2) The purchaser, mortgagee, or pledgee shall deliver  
 23 to and have on file with the division, on forms prescribed  
 24 by the division, by the twentieth (20th) day of each  
 25 calendar month following any calendar month in which the

1 purchaser purchases livestock of a producer or in which a  
 2 lender makes any loan or advance on livestock of a producer,  
 3 after July 30, 1975, a sworn statement of the number of  
 4 livestock purchased in Montana or the number of livestock  
 5 mortgaged or pledged, or otherwise transferred or liened as  
 6 security for a loan, during the preceding calendar month.  
 7 At the time the sworn statement is filed, the purchaser or  
 8 lender shall pay and remit to the director the assessment  
 9 provided for in this act for deposit in the earmarked  
 10 livestock research and marketing account.

11 (3) The statement referred to in subsection (1) of  
 12 this section, shall be legibly written and shall be entirely  
 13 free of any corrections or erasures on its face. Any person  
 14 who alters any part of any statement is guilty of a  
 15 misdemeanor and, upon conviction, shall be punished as  
 16 provided in this act.

17 Section 14. Annual report. The director and the  
 18 administrator shall make an annual report, at least thirty  
 19 (30) days prior to January 1 of each year, showing in detail  
 20 all income to and expenses and expenditures of the division.  
 21 The report shall be filed with the governor, and is open to  
 22 inspection by the public during regular office hours and may  
 23 be published by order of the division. A duplicate original  
 24 of each annual report made during any recess of the  
 25 legislature shall be transmitted by the director directly to

1 the president of the senate and to the speaker of the house  
2 of representatives within five (5) days after the convening  
3 of the following session of the legislature.

4 Section 15. Authority to receive grants and gifts. The  
5 division is authorized to receive any gifts, grants, or  
6 donations for any research into scientific inquiries  
7 conducted under the authority of this act, and to use and  
8 expend them in compliance with the conditions, if any, of  
9 those grants, gifts and donations, provided the conditions  
10 are valid under the laws of the state of Montana, and in aid  
11 of the purposes of this act.

12 Section 16. Bond required. The administrator and any  
13 deputy or assistant participating in the handling of  
14 assessment receipts or other receipts by or for the  
15 division, shall be bonded for the faithful and safe handling  
16 and accounting for those receipts while in their hands and  
17 for faithful compliance with the provisions of this act.

18 Section 17. Earmarked account. (1) There is an  
19 earmarked account in the revolving fund known as the  
20 livestock research and marketing revolving account. There  
21 shall be placed in the account:

22 (a) the proceeds of all millage levies made, paid and  
23 collected under this act, and

24 (b) the proceeds from all gifts, grants, or donations  
25 to the department of agriculture for the use of the

1 researches conducted by the division.

2 (2) The account is maintained for the use of the  
3 division and is separate and apart from all other accounts  
4 of the department of agriculture.

5 (3) There shall be transferred to the general fund one  
6 percent (1%) of all moneys collected.

7 (4) Claims for expenditures under this act, approved  
8 by the director and the state controller shall be paid out  
9 of this account.

10 Section 18. No independent committee research units.  
11 The committee shall not set up research units or agencies of  
12 its own but shall cooperate and may enter into contracts  
13 with Montana state university and other lawful and proper  
14 local, state, or national organizations, public or private,  
15 to carry out all phases of research and marketing  
16 contemplated by this act.

17 Section 19. Penalty. A person violating any of the  
18 provisions of this act is guilty of a misdemeanor, and upon  
19 conviction, shall be fined not less than twenty-five dollars  
20 (\$25) nor more than five hundred dollars (\$500).

21 Section 20. Severability. If a part of this act is  
22 invalid, all valid parts that are severable from the invalid  
23 part remain in effect. If a part of this act is invalid in  
24 one or more of its applications, the part remains in effect  
25 in all valid applications that are severable from the

LC 0612

1    invalid applications.

2            Section 21. Effective date. This act is effective July

3    30, 1975.

-End-



Approved by Committee  
on Agriculture Livestock  
& Irrigation

HOUSE BILL NO. 398

INTRODUCED BY STOLTZ, GUNDERSON,

UNDERDAL, DAY, MURPHY, FISHBAUGH, HARPER, KUMMERFELDT,

FLEMING, GERKE, BRADLEY, BARDANOUVE, HUENNEKENS, MELOY

A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A DIVISION OF  
LIVESTOCK MARKETING RESEARCH ~~IN~~ UNDER THE ADMINISTRATION OF  
THE MONTANA DEPARTMENT OF AGRICULTURE TO CONDUCT RESEARCH  
INTO ALL PHASES OF LIVESTOCK CULTURE, PRODUCTION, MARKETING  
AND USE; LEVYING AN ASSESSMENT OF ONE (1) MILL UPON THE SALE  
VALUE PER LIVESTOCK UNIT TO COVER THE EXPENSE OF RESEARCH  
AND THE ADMINISTRATION OF THIS ACT; PROVIDING FOR AN  
EFFECTIVE DATE, JULY 30, 1975."

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

Section 1. Short title. This act may be cited as the  
"Montana Livestock Research and Marketing Act."

Section 2. Declaration of policy. In the presence of  
the facts that livestock are a principal commodity produced  
in Montana, and as such are an agricultural resource of the  
first magnitude in the economy of the inhabitants of  
Montana, a prime factor in the production of wealth and the  
development and stabilization of property values and of  
activities and enterprises which are bases and sources of  
important contributions by taxation to the public revenues,

and that Montana livestock are a commodity which enters a  
world market highly competitive in character, it is hereby  
declared to be the public policy of the state of Montana to  
protect and foster the health, prosperity, and general  
welfare of its people by encouraging and promoting  
intensive, scientific, and practical research into all  
phases of livestock culture and production, marketing and  
use and into the development of markets for livestock raised  
in Montana by the ~~department-of-agriculture-of-the-state-of~~  
~~Montana-and-the-division-of-livestock-research~~ DIVISION OF  
LIVESTOCK RESEARCH AND MARKETING UNDER THE ADMINISTRATION OF  
THE DEPARTMENT OF AGRICULTURE OF THE STATE OF MONTANA  
therein as constituted by this act.

Section 3. Establishment of division. (1) There is a  
division of livestock research and marketing ~~in-the~~ UNDER  
THE ADMINISTRATION OF THE department of agriculture of the  
state of Montana. The division consists of:

- (a) the appointive administrative committee provided  
in this act,
- (b) the director of agriculture, ex officio, and
- (c) a chief executive officer of the division known as  
the administrator of livestock research and marketing.

(2) The director of the department of agriculture,  
acting with the advice and consent of the appointive  
administrative committee, shall appoint the administrator of

1 livestock research and marketing, and subordinate  
 2 secretarial and clerical assistance.

3 ~~(3) -- No research -- or -- professional -- or -- scientific~~  
 4 ~~personnel -- may -- be -- employed -- to -- carry -- out -- the -- provisions -- of~~  
 5 ~~this -- act -- except -- as -- provided -- in -- section -- 18.~~

6 ~~(4)~~ (3) Other powers prescribed by this act for the  
 7 division are placed in and may be exercised by the  
 8 administrative committee; the duties prescribed by this act  
 9 shall be carried out by the administrative committee and it  
 10 has general supervision of all activities and personnel, but  
 11 it may delegate details of supervision and administration to  
 12 the administrator of livestock research and marketing, or to  
 13 the director of agriculture.

14 Section 4. Definitions. As used in this act:

15 (1) "Committee" means the administrative committee  
 16 known as the Montana Livestock Research and Marketing  
 17 Committee;

18 (2) "Producer" means any person personally engaged in  
 19 producing livestock, a tenant of the person personally  
 20 engaged in producing livestock, or both the owner and the  
 21 tenant jointly; and includes a person, partnership,  
 22 association, corporation, cooperative trust, and any and all  
 23 other business units, devices, and arrangements;

24 (3) "First purchaser" means any person, public or  
 25 private corporation, association, or partnership buying,

1 accepting for shipment, or otherwise acquiring the property  
 2 in or to livestock from a producer, and shall include a  
 3 mortgagee, pledgee, lienor, or other person, public or  
 4 private, having a claim against the producer, where the  
 5 actual or constructive possession of these livestock is  
 6 taken as part payment or in satisfaction of a mortgage,  
 7 pledge, lien, or claim;

8 (4) "Commercial channels" means the sale of livestock  
 9 for any use, when sold to any commercial buyer, dealer,  
 10 processor, cooperative, or to any person, public or private,  
 11 who resells any livestock or product produced from  
 12 livestock;

13 (5) "Sale" includes any pledge or mortgage of  
 14 livestock, to any person, public or private;

15 (6) "Administrator" means the head of the livestock  
 16 research and marketing division provided in section 3 of  
 17 this act;

18 (7) "Division" means the division of livestock  
 19 research and marketing of the department of agriculture  
 20 created under this act;

21 (8) "Director" means the head of the department of  
 22 agriculture;

23 (9) "LIVESTOCK" MEANS ALL CATTLE, SHEEP AND SWINE.

24 Section 5. Committee -- appointment -- members --  
 25 terms. (1) The governor of the state of Montana shall

1 appoint an administrative committee known as the Montana  
 2 livestock research and marketing committee. The committee  
 3 shall:

- 4 (a) advise and direct the administrator;
- 5 (b) be primarily responsible for the enforcement and  
 6 application of this act; and
- 7 (c) be responsible for conducting basic research and  
 8 market development, and other programs of the division and  
 9 its objectives as herein stated.

10 (2) The committee is composed of:

11 (a) seven members each of whom is a citizen of  
 12 Montana, and each of whom derives a substantial portion of  
 13 his income from producing livestock in Montana,

14 (b) three (3) ex officio members (who shall not vote  
 15 upon any decisions, orders or regulations of the committee):

- 16 (i) the director,
- 17 (ii) the dean of agriculture of Montana state  
 18 university,

19 (iii) a representative, FROM MONTANA, SKILLED IN THE  
 20 COMMERCIAL TRADING AND MARKETING ASPECT of the livestock  
 21 industry ~~in Montana~~ who is elected by majority vote of the  
 22 seven (7) appointed members of the committee, and who serves  
 23 at the pleasure of the committee.

24 (3) One member of the committee shall be appointed  
 25 from each of the following districts, and shall be a

1 resident of, and have ranching operations in the district  
 2 from which appointed:

3 ~~District-1--consisting---of---Daniels,---Phillips,~~

4 ~~Roosevelt,---Sheridan,---and---Valley---counties;~~

5 ~~District-2,---consisting---of---Dawson,---Garfield,---McCone,~~

6 ~~Prairie,---Richland,---and---Wibaux---counties;~~

7 ~~District-3,---consisting---of---Carter,---Custer,---Fallon,~~

8 ~~Powder,---River,---Rosebud,---and---Treasure~~

9 ~~counties;~~

10 ~~District-4,---consisting---of---Blaine,---Hilly,---and---Liberty~~

11 ~~counties;~~

12 ~~District-5,---consisting---of---Cascade,---Chouteau,---Glacier,~~

13 ~~Pondera,---Teton,---and---Foose---counties;~~

14 ~~District-6,---consisting---of---Fergus,---Golden,---Valley,~~

15 ~~Judith-Basin,---Musselshell,---Petroleum,---and~~

16 ~~Wheatland---counties;~~

17 ~~District-7,---consisting---of---Big---Horn,---Carbon,~~

18 ~~Stillwater,---Sweet-Grass,---and---Yellowstone~~

19 ~~counties;~~

20 ~~District-8,---consisting---of---Broadwater,---Jefferson,---and~~

21 ~~Lewis-&-Clark---counties;~~

22 ~~District-9,---consisting---of---Gallatin,---Meagher,---and---Park~~

23 ~~counties;~~

24 ~~District-10,---consisting---of---Flathead,---Lake,---McCone,---and~~

25 ~~Sanders---counties;~~

1 ~~District-11,-consisting--of--Mineral,-Missoula,-and~~  
 2 ~~Ravalli-counties;~~

3 ~~District-12,-consisting--of--Beaverhead,-Deer---Lodge,~~  
 4 ~~Granite,-Madison,-Powell,-and-Silver-Bow~~  
 5 ~~counties.~~

6 DISTRICT 1. CONSISTING OF DANIELS, DAWSON, GARFIELD,  
 7 MCCONE, PETROLEUM, RICHLAND, ROOSEVELT,  
 8 SHERIDAN, AND VALLEY COUNTIES;

9 DISTRICT 2. CONSISTING OF CARTER, CUSTER, FALLON,  
 10 POWDER RIVER, PRAIRIE, ROSEBUD, TREASURE  
 11 AND WIBAUX COUNTIES;

12 DISTRICT 3. CONSISTING OF BIG HORN, CARBON,  
 13 STILLWATER, SWEETGRASS, AND YELLOWSTONE  
 14 COUNTIES;

15 DISTRICT 4. CONSISTING OF CASCADE, FERGUS, GOLDEN  
 16 VALLEY, JUDITH BASIN, MEACHER, MUSSELSHELL  
 17 AND WHEATLAND COUNTIES;

18 DISTRICT 5. CONSISTING OF BLAINE, CHOTEAU, GLACIER,  
 19 HILL, LIBERTY, PHILLIPS, PONDERA, TETON  
 20 AND TOOLE COUNTIES;

21 DISTRICT 6. CONSISTING OF BROADWATER, DEER LODGE,  
 22 FLATHEAD, GRANITE, LAKE, LEWIS AND CLARK,  
 23 LINCOLN, MINEPAL, MISSOULA, POWELL,  
 24 RAVALLI, AND SANDERS COUNTIES;

25 DISTRICT 7. CONSISTING OF BEAVERHEAD, GALLATIN,

1 JEFFERSON, MADISON, PARK, AND SILVER BOW  
 2 COUNTIES.

3 (4) A list of nominees for appointment to the  
 4 committee may be submitted to the governor by the Montana  
 5 cattlemens association -- international, national farmers  
 6 organization, ~~farmers'-union,-grange,-farm-bureau,-pork~~  
 7 producers, OF MONTANA, MONTANA FARMERS' UNION, MONTANA  
 8 GRANGE, MONTANA FARM BUREAU, MONTANA PORK PRODUCERS, MONTANA  
 9 wool growers and the Montana stockgrowers. Each nominee  
 10 shall be from the district for which the appointment is  
 11 made. The first list of nominees shall be submitted in less  
 12 than thirty-one (31) days after the effective date of this  
 13 act and thereafter names of nominees shall be submitted in  
 14 less than ninety-one (91) days prior to the expiration of  
 15 any committeeman's term.

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 17 (5) years, except that the terms of office of the committee  
 18 members first appointed are as follows:

19 District 1 for four (4) years;  
 20 District 2 ~~and-8~~ for five (5) years;  
 21 District 3 ~~and-9~~ for five (5) years;  
 22 District 4, ~~10-and-11~~ for one (1) year;  
 23 District 5 ~~and-12~~ for two (2) years;  
 24 District 6 for four (4) years;  
 25 District 7 for three (3) years.

1 (6) No more than four (4) appointed members of the  
 2 committee may be of the same political party. Members  
 3 appointed to fill unexpired terms shall be appointed for the  
 4 remainder of the unexpired term.

5 Section 6. Compensation. Members of the committee  
 6 receive no salary, but are paid, from the livestock research  
 7 and marketing earmarked revenue account, a per diem of  
 8 twenty-five dollars (\$25) for each day they are actually and  
 9 necessarily engaged in the transaction of official business  
 10 under this act, together with their actual and necessary  
 11 expenses incurred while on official business.

12 Section 7. Removal from committee membership. Any  
 13 member of the committee may be removed by the governor for  
 14 malfeasance, misfeasance or neglect of duty. No removal  
 15 proceedings shall be entertained or prosecuted except upon  
 16 written charges, duly verified. The member shall be given a  
 17 copy of the written charges against him upon any one or more  
 18 of said grounds at least ten (10) days in advance of any  
 19 hearing upon the charges, and the member shall be accorded a  
 20 full and fair public hearing before the governor with right  
 21 to counsel and to witnesses in his behalf. Any member of  
 22 the committee:

- 23 (1) ceasing to be a resident of the state of Montana,
- 24 (2) ceasing to live in the district from which he was
- 25 appointed, or,

1 (3) ceasing to be actually engaged in producing  
 2 livestock in the state or district, shall be automatically  
 3 disqualified from continuing as a member by the occurrence  
 4 of any of these events. If the member refuses to recognize  
 5 his disqualification, the refusal constitutes cause for  
 6 removal, and his office as committee member becomes vacant.

7 Section 8. Committee meetings. At the first meeting of  
 8 the committee, it shall elect a chairman from among its  
 9 members. The committee shall meet at least once every three  
 10 (3) months and at other times as called by the chairman or  
 11 by any three (3) members of the committee.

12 Section 9. Committee powers. (1) The committee may:

- 13 (a) Adopt rules necessary and advisable for efficient
- 14 administration of this act;
- 15 (b) Promptly and effectively enforce the provisions of
- 16 this act; and
- 17 (c) Conduct adequate, intensive, and timely research
- 18 into the production, marketing, and uses of livestock in all
- 19 phases and relationships.

20 (d) Enter into written contracts or agreements with  
 21 recognized research agencies, public or private, within or  
 22 without the state of Montana, for the purposes of, but not  
 23 limited to, improving quality, increasing the efficiency of  
 24 production, developing marketing knowledge, developing  
 25 markets, and determining new uses for livestock. THE

1 COMMITTEE SHALL NOT ESTABLISH INDEPENDENT RESEARCH UNITS OR  
 2 AGENCIES OF ITS OWN.

3 (2) NO RESEARCHERS OR PROFESSIONAL OR SCIENTIFIC  
 4 PERSONNEL MAY BE EMPLOYED TO CARRY OUT THIS ACT EXCEPT AS  
 5 PROVIDED IN SUBSECTION (1) (D) OF THIS SECTION.

6 ~~(2)~~(3) None of the duties, authorities and powers set  
 7 forth in this act and delegated to the committee may be  
 8 construed to mean or permit participation in state or  
 9 federal political action.

10 Section 10. Office location. The department of  
 11 agriculture shall establish, upon recommendation of the  
 12 committee, an administrative office in the state of Montana  
 13 at any place suitable for the efficient administration of  
 14 this act. The expense of staffing and maintaining the  
 15 office is an expense of administration under this act.

16 Section 11. Annual levy. (1) There is levied an annual  
 17 assessment of one (1) mill ~~per--livestock-unit-upon-all~~  
 18 livestock ON THE SALE VALUE OF A LIVESTOCK UNIT BROUGHT INTO  
 19 OR produced in the state of Montana, and sold through  
 20 commercial channels after July 30, 1975. This assessment is  
 21 levied and imposed on each livestock producer in the state  
 22 of Montana. At the time of any sale of livestock by a  
 23 producer, the levy shall be collected by the first purchaser  
 24 of the livestock from the producer at the time of each  
 25 settlement for livestock purchased.

1 (2) The assessment levied under the provisions of this  
 2 act, shall be deducted and collected as provided by this  
 3 act, whether livestock are held in this or any other state.  
 4 The assessment attaches to each transaction, but no producer  
 5 is subject to assessment more than once regardless of the  
 6 number of times the livestock are the subject of a sale,  
 7 pledge, mortgage or other transaction, the assessment is  
 8 imposed and attaches on the initial sale, pledge, mortgage  
 9 or other transaction in which the livestock producer parts  
 10 with title to the livestock, or creates some interest  
 11 therein in a pledgee, mortgagee or other person.

12 Section 12. Levy not applicable. The assessment levied  
 13 and imposed by the provisions of this act, shall not apply  
 14 to the sale of livestock to the federal government, for  
 15 ultimate use or consumption by the people of the United  
 16 States, where the state of Montana is prohibited from  
 17 imposing a tax by the constitution of the United States and  
 18 valid laws enacted pursuant thereto.

19 Section 13. Invoices -- delivery of -- clearly  
 20 written. (1) The purchaser of the livestock at the time of  
 21 settlement of a sale, or the pledgee or mortgagee or other  
 22 lender at the time of the loan or advance, shall make and  
 23 deliver separate invoices for each purchase to the producer.  
 24 These invoices shall be on forms approved by the committee  
 25 showing:

1 (a) the name and address of the producer and seller,  
 2 (b) the name and address of the purchaser or the  
 3 lender,  
 4 (c) the number of livestock sold, mortgaged, or  
 5 pledged, and  
 6 (d) the date of the purchase, mortgage, or pledge and  
 7 the amount of assessment collected and remitted to the  
 8 director.

9 (2) The purchaser, mortgagee, or pledgee shall deliver  
 10 to and have on file with the division, on forms prescribed  
 11 by the division, by the twentieth (20th) day of each  
 12 calendar month following any calendar month in which the  
 13 purchaser purchases livestock of a producer or in which a  
 14 lender makes any loan or advance on livestock of a producer,  
 15 after July 30, 1975, a sworn statement of the number of  
 16 livestock purchased in Montana or the number of livestock  
 17 mortgaged or pledged, or otherwise transferred or liened as  
 18 security for a loan, during the preceding calendar month.  
 19 At the time the sworn statement is filed, the purchaser or  
 20 lender shall pay and remit to the director the assessment  
 21 provided for in this act for deposit in the earmarked  
 22 livestock research and marketing account.

23 (3) The statement referred to in subsection (1) of  
 24 this section, shall be legibly written and shall be entirely  
 25 free of any corrections or erasures on its face. Any person

1 who alters any part of any statement is guilty of a  
 2 misdemeanor and, upon conviction, shall be punished as  
 3 provided in this act.

4 (4) AFTER THIRTY (30) DAYS AND BEFORE NINETY (90) DAYS  
 5 FOLLOWING THE DEDUCTION OF THE ASSESSMENT BY THE FIRST  
 6 PURCHASER OR THE FIRST LENDER, THE PRODUCER MAY OBTAIN A  
 7 REFUND OF THE ASSESSMENT, UPON THE SUBMISSION OF A WRITTEN,  
 8 VERIFIED REQUEST TO THE DEPARTMENT. THE REQUEST SHALL BE  
 9 ACCOMPANIED BY THE ORIGINAL INVOICES RECEIVED BY THE  
 10 PRODUCER AT THE TIME MADE UNDER THE PROVISIONS OF THIS  
 11 SECTION. RECORDS OF REFUNDS MAY BE DESTROYED TWO (2) YEARS  
 12 AFTER THE REFUND IS MADE. ALL ORIGINAL INVOICES SHALL BE  
 13 RETURNED TO THE PRODUCER WITH THE REFUND PAYMENT.

14 Section 14. Annual report. The director and the  
 15 administrator shall make an annual report, at least thirty  
 16 (30) days prior to January 1 of each year, showing in detail  
 17 all income to and expenses and expenditures of the division.  
 18 The report shall be filed with the governor, and is open to  
 19 inspection by the public during regular office hours and may  
 20 be published by order of the division. A duplicate original  
 21 of each annual report made during any recess of the  
 22 legislature shall be transmitted by the director directly to  
 23 the president of the senate and to the speaker of the house  
 24 of representatives within five (5) days after the convening  
 25 of the following session of the legislature.

1 Section 15. Authority to receive grants and gifts. The  
 2 division is authorized to receive any gifts, grants, or  
 3 donations for any research into scientific inquiries  
 4 conducted under the authority of this act, and to use and  
 5 expend them in compliance with the conditions, if any, of  
 6 those grants, gifts and donations, provided the conditions  
 7 are valid under the laws of the state of Montana, and in aid  
 8 of the purposes of this act.

9 Section 16. Bond required. The administrator and any  
 10 deputy or assistant participating in the handling of  
 11 assessment receipts or other receipts by or for the  
 12 division, shall be bonded for the faithful and safe handling  
 13 and accounting for those receipts while in their hands and  
 14 for faithful compliance with the provisions of this act.

15 Section 17. Earmarked account. (1) There is an  
 16 earmarked account in the revolving fund known as the  
 17 livestock research and marketing revolving account. There  
 18 shall be placed in the account:

19 (a) the proceeds of all millage levies made, paid and  
 20 collected under this act, and

21 (b) the proceeds from all gifts, grants, or donations  
 22 to the department of agriculture for the use of the  
 23 researches conducted by the division.

24 (2) The account is maintained for the use of the  
 25 division and is separate and apart from all other accounts

1 of the department of agriculture.

2 (3) There shall be transferred to the general fund one  
 3 percent (1%) of all moneys collected.

4 (4) Claims for expenditures under this act, approved  
 5 by the director and the state controller shall be paid out  
 6 of this account.

7 ~~Section 18. No independent committee research units.~~  
 8 ~~The committee shall not set up research units or agencies of~~  
 9 ~~its own but shall cooperate and may enter into contracts~~  
 10 ~~with Montana state university and other lawful and proper~~  
 11 ~~local, state, or national organizations, public or private,~~  
 12 ~~to carry out all phases of research and marketing~~  
 13 ~~contemplated by this act.~~

14 Section 18. Penalty. A person violating any of the  
 15 provisions of this act is guilty of a misdemeanor, and upon  
 16 conviction, shall be fined not less than twenty-five dollars  
 17 (\$25) nor more than five hundred dollars (\$500).

18 Section 19. Severability. If a part of this act is  
 19 invalid, all valid parts that are severable from the invalid  
 20 part remain in effect. If a part of this act is invalid in  
 21 one or more of its applications, the part remains in effect  
 22 in all valid applications that are severable from the  
 23 invalid applications.

24 Section 20. Effective date. This act is effective July  
 25 30, 1975.

-End-

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