

CHAPTER NO. 530

SENATE BILL NO. 520

INTRODUCED BY REQUEST OF AGRICULTURE COMMITTEE

IN THE SENATE

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| February 16, 1979 | Introduced and referred to Committee on Agriculture, Livestock, and Irrigation. |
| February 17, 1979 | Committee recommend bill do pass. Report adopted. |
| February 19, 1979 | Printed and placed on members' desks. |
| February 20, 1979 | Fiscal note requested. Second reading, do pass. |
| February 21, 1979 | Considered correctly engrossed. |
| February 22, 1979 | Third reading, passed. |
| February 23, 1979 | Fiscal note returned. Transmitted to second house. |

IN THE HOUSE

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| February 23, 1979 | Introduced and referred to Committee on Agriculture, Livestock, and Irrigation. |
| March 20, 1979 | Committee recommend bill be concurred in as amended. Report adopted. |
| March 21, 1979 | Second reading, concurred in. |
| March 24, 1979 | Third reading, concurred in as amended. |

IN THE SENATE

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| March 24, 1979 | Returned from second house. Concurred in as amended. |
| March 26, 1979 | Second reading, pass consideration until 3-28-79. |

March 28, 1979

Second reading, amendments
adopted.

March 29, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

1 *Senate* BILL NO. *520*
 2 INTRODUCED BY *by request of Agriculture Committee*
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE WHEAT
 5 RESEARCH AND MARKETING LAW; CHANGING THE ASSESSMENT LEVIED
 6 ON WHEAT AND BARLEY; AUTHORIZING THE DEPARTMENT OF
 7 AGRICULTURE TO CONTRACT FOR RESEARCH AND DEVELOPMENT OF
 8 FUELS AND FOOD FROM WHEAT AND BARLEY; AMENDING SECTION
 9 80-11-206, MCA."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 80-11-206, MCA, is amended to read:

13 "80-11-206. Annual assessment on wheat and barley
 14 grown. (1) There is hereby levied an annual assessment of
 15 ~~2-1/2~~ not more than 5 mills per bushel upon all wheat grown
 16 and ~~5~~ not more than 10 mills per hundredweight on all barley
 17 grown in the state of Montana and sold through commercial
 18 channels. The assessment is hereby levied and imposed on
 19 each grower of wheat or barley in the state of Montana:

20 (a) in the case of sale of wheat or barley, at the
 21 time of any sale of wheat or barley by a grower, and shall
 22 be collected by the first purchaser of the wheat or barley
 23 from the grower at the time of each settlement for wheat or
 24 barley purchased; or

25 (b) in the case of a pledge or mortgage of wheat or

1 barley as security for a loan under any federal price
 2 support program, the assessment shall be collected by
 3 deducting the amount thereof from the proceeds of such loan
 4 at the time the loan is made by the agency or person making
 5 the loan.

6 (2) The assessment levied under the provisions of this
 7 part shall be deducted and collected as provided by this
 8 part, whether such wheat or barley is stored in this or any
 9 other state. The assessment shall attach to each
 10 transaction, but no grower shall be subject to assessment
 11 more than once irrespective of the number of times it shall
 12 be the subject of a sale, pledge, mortgage, or other
 13 transaction, the assessment being imposed and attaching on
 14 the initial sale, pledge, mortgage, or other transaction in
 15 which the wheat or barley grower parts with title to the
 16 wheat or barley, or creates some interest therein in a
 17 pledgee, mortgagee, or other person."

18 NEW SECTION. Section 2. Allocation of assessment. For
 19 the years 1979 through 1983, \$200,000 a year of the
 20 assessment provided for in 80-11-206 is allocated to the
 21 department of agriculture to carry out the provisions of
 22 [section 3].

23 NEW SECTION. Section 3. Powers of department. The
 24 department may contract with both private and government
 25 organizations to provide for research, development,

1 production, and marketing of fuels and foods derived from
2 wheat and barley. This includes but is not limited to
3 agreements with the department of natural resources and
4 conservation to fund grants provided for in Title 90,
5 chapter 4, part 1.

6 NEW SECTION. Section 4. Allocation of unused money --
7 determination of assessment. (1) Any money allocated to the
8 department under [section 2] remaining as of December 31 of
9 each year shall revert to the earmarked revenue account to
10 the credit of the wheat research and marketing committee.

11 (2) The wheat research and marketing committee shall
12 set the amount of the assessment provided for in 80-11-206
13 each year to provide the funds necessary to carry out this
14 part.

15 Section 5. Codification. Sections 2 through 4 are
16 intended to be codified as an integral part of Title 80,
17 chapter 11, part 2, and the provisions contained in Title
18 80, chapter 11, part 2, apply to sections 2 through 4.

-End-

SB520

STATE OF MONTANA

REQUEST NO. 405-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 23, 19 79, there is hereby submitted a Fiscal Note for SB 520 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

SB 520 establishes increased assessment on wheat and barley at time of first sale. It authorizes the Department of Agriculture to contract private and government organizations to promote research, development, production and marketing of fuel and foods.

Assumptions:

1. The act would be in effect July 1, 1979 through June 30, 1983.
2. Duties would be absorbed by current staff in provision to contract services to carry out act.
3. The grower may obtain a refund assessment.
4. The Department will recognize a 6% annual allocation to administer the act.
5. That unused funds allocated to the Department as of December 31 shall revert to Wheat Research & Marketing Earmarked Revenue Account.

| | <u>1980</u> | <u>1981</u> |
|--|------------------|------------------|
| Revenues: | | |
| Under Current Law | | |
| Wheat | \$373,413 | \$373,413 |
| Barley | <u>76,726</u> | <u>76,726</u> |
| Total | <u>450,139</u> | <u>450,139</u> |
| Under Proposed Law | | |
| Wheat | 746,826 | 746,826 |
| Barley | <u>153,452</u> | <u>153,452</u> |
| | <u>900,278</u> | <u>900,278</u> |
| Additional Revenue Under Proposed Law | <u>450,139</u> | <u>450,139</u> |
| Expenditures: | | |
| Under Current Law | 450,139 | 450,139 |
| Under Proposed Law | <u>672,646</u> | <u>672,646</u> |
| | <u>222,507</u> | <u>222,507</u> |
| Revenues in excess of expenditures under proposed law | <u>\$227,632</u> | <u>\$227,632</u> |

The excess revenues would accrue assuming the maximum mill levy. Section 4 (2) provides that only an assessment necessary to generate the required funds will be provided.

Richard L. Johnson
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/23/79

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Sen BILL NO. *520*
INTRODUCED BY *by request of Agriculture Committee*

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE WHEAT RESEARCH AND MARKETING LAW; CHANGING THE ASSESSMENT LEVIED ON WHEAT AND BARLEY; AUTHORIZING THE DEPARTMENT OF AGRICULTURE TO CONTRACT FOR RESEARCH AND DEVELOPMENT OF FUELS AND FOOD FROM WHEAT AND BARLEY; AMENDING SECTION 80-11-206, MCA."

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

Section 1. Section 80-11-206, MCA, is amended to read:

"80-11-206. Annual assessment on wheat and barley grown. (1) There is hereby levied an annual assessment of 2-1/2 not more than 5 mills per bushel upon all wheat grown and 5 not more than 10 mills per hundredweight on all barley grown in the state of Montana and sold through commercial channels. The assessment is hereby levied and imposed on each grower of wheat or barley in the state of Montana:

(a) in the case of sale of wheat or barley, at the time of any sale of wheat or barley by a grower, and shall be collected by the first purchaser of the wheat or barley from the grower at the time of each settlement for wheat or barley purchased; or

(b) in the case of a pledge or mortgage of wheat or

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barley as security for a loan under any federal price support program, the assessment shall be collected by deducting the amount thereof from the proceeds of such loan at the time the loan is made by the agency or person making the loan.

(2) The assessment levied under the provisions of this part shall be deducted and collected as provided by this part, whether such wheat or barley is stored in this or any other state. The assessment shall attach to each transaction, but no grower shall be subject to assessment more than once irrespective of the number of times it shall be the subject of a sale, pledge, mortgage, or other transaction, the assessment being imposed and attaching on the initial sale, pledge, mortgage, or other transaction in which the wheat or barley grower parts with title to the wheat or barley, or creates some interest therein in a pledgee, mortgagee, or other person."

NEW SECTION. Section 2. Allocation of assessment. For the years 1979 through 1983, \$200,000 a year of the assessment provided for in 80-11-206 is allocated to the department of agriculture to carry out the provisions of [section 3].

NEW SECTION. Section 3. Powers of department. The department may contract with both private and government organizations to provide for research, development,

1 production, and marketing of fuels and foods derived from
2 wheat and barley. This includes but is not limited to
3 agreements with the department of natural resources and
4 conservation to fund grants provided for in Title 90,
5 chapter 4, part 1.

6 NEW SECTION. Section 4. Allocation of unused money --
7 determination of assessment. (1) Any money allocated to the
8 department under [section 2] remaining as of December 31 of
9 each year shall revert to the earmarked revenue account to
10 the credit of the wheat research and marketing committee.

11 (2) The wheat research and marketing committee shall
12 set the amount of the assessment provided for in 80-11-206
13 each year to provide the funds necessary to carry out this
14 part.

15 Section 5. Codification. Sections 2 through 4 are
16 intended to be codified as an integral part of Title 80,
17 chapter 11, part 2, and the provisions contained in Title
18 80, chapter 11, part 2, apply to sections 2 through 4.

-End-

SENATE BILL NO. 520

INTRODUCED BY REQUEST OF AGRICULTURE COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE WHEAT RESEARCH AND MARKETING LAW; CHANGING THE ASSESSMENT LEVIED ON WHEAT AND BARLEY; AUTHORIZING THE DEPARTMENT OF AGRICULTURE TO CONTRACT FOR RESEARCH AND DEVELOPMENT OF FUELS AND FOOD FROM WHEAT AND BARLEY; AMENDING SECTION 80-11-206, MCA."

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

Section 1. Section 80-11-206, MCA, is amended to read:

"80-11-206. Annual assessment on wheat and barley grown. (1) There is hereby levied an annual assessment of ~~2-1/2~~ 2 1/2 MILLS PER BUSHEL (EXCEPT FOR THE FISCAL YEARS ENDING ON JUNE 30, 1980 THROUGH 1983, WHEN not more than 2 mills per bushel MAY BE LEVIED) upon all wheat grown and ~~5~~ 2 MILLS PER HUNDREDWEIGHT (EXCEPT FOR THE FISCAL YEARS ENDING ON JUNE 30, 1980 THROUGH 1983, WHEN not more than 10 mills per hundredweight MAY BE LEVIED) on all barley grown in the state of Montana and sold through commercial channels. The assessment is hereby levied and imposed on each grower of wheat or barley in the state of Montana:

(a) in the case of sale of wheat or barley, at the time of any sale of wheat or barley by a grower, and shall

be collected by the first purchaser of the wheat or barley from the grower at the time of each settlement for wheat or barley purchased; or

(b) in the case of a pledge or mortgage of wheat or barley as security for a loan under any federal price support program, the assessment shall be collected by deducting the amount thereof from the proceeds of such loan at the time the loan is made by the agency or person making the loan.

(2) The assessment levied under the provisions of this part shall be deducted and collected as provided by this part, whether such wheat or barley is stored in this or any other state. The assessment shall attach to each transaction, but no grower shall be subject to assessment more than once irrespective of the number of times it shall be the subject of a sale, pledge, mortgage, or other transaction, the assessment being imposed and attaching on the initial sale, pledge, mortgage, or other transaction in which the wheat or barley grower parts with title to the wheat or barley, or creates some interest therein in a pledgee, mortgagee, or other person."

NEW SECTION. Section 2. Allocation of assessment. For the ~~FISCAL~~ years ~~1979~~ ENDING ON JUNE 30, 1980 through 1983, \$200,000 a year of the assessment provided for in 80-11-206 is allocated to the department of agriculture to carry out

1 the provisions of [section 3].

2 NEW SECTION. Section 3. Powers of department. The
3 department may contract with both private and government
4 organizations to provide for research, development,
5 production, and marketing of fuels and foods derived from
6 wheat and barley. This includes but is not limited to
7 agreements with the department of natural resources and
8 conservation to fund grants provided for in title 90,
9 chapter 4, part 1.

10 NEW SECTION. Section 4. Allocation of unused money --
11 determination of assessment. (1) Any money allocated to the
12 department under [section 2] remaining as of December--31
13 JUNE 30 of each year shall revert to the earmarked-revenue
14 account-to-the-credit-of-the-wheat--research--and--marketing
15 committee WHEAT RESEARCH AND MARKETING ACCOUNT IN THE
16 FEDERAL AND PRIVATE REVENUE FUND.

17 (2) The wheat research and marketing committee shall
18 set the amount of the assessment provided for in 80-11-206
19 each year to provide the funds necessary to carry out this
20 part.

21 Section 5. Codification. Sections 2 through 4 are
22 intended to be codified as an integral part of Title 80,
23 chapter 11, part 2, and the provisions contained in Title
24 80, chapter 11, part 2, apply to sections 2 through 4.

-End-

HOUSE OF REPRESENTATIVES

March 19, 1979

Committee on Agriculture, Livestock, and Irrigation amendments to Senate Bill 520, 3rd reading copy, as follows:

1. Page 1, line 15.

Following: "~~2-1/2~~"

Insert: "2 1/2 mills per bushel (except for the fiscal years ending on June 30, 1980 through 1983, when"

Following: "bushel"

Insert: "may be levied)"

2. Page 1, line 16.

Following: "5"

Insert: "5 mills per hundredweight (except for the fiscal years ending on June 30, 1980 through 1983, when"

Following: "hundredweight"

Insert: "may be levied)"

3. Page 2, lines 18 and 19.

Following: "For the"

Insert: "fiscal"

4. Page 2, line 19.

Following: "years"

Strike: "1979"

Insert: "ending on June 30, 1980"

5. Page 3, line 8.

Following: "as of"

Strike: "December 31"

Insert: "June 30"

6. Page 3, lines 9 and 10.

Following: "to the"

Strike: "earmarked revenue account to the credit of the wheat research and marketing committee"

Insert: "wheat reasearch and marketing account in the federal and private revenue fund"

AND AS AMENDED BE CONCURRED IN