

Senate Bill 156

In The Senate

January 16, 1981	Introduced and referred to Committee on Agriculture, Livestock and Irrigation.
	Fiscal note requested.
January 22 1981	Fiscal note returned.
February 7, 1981	Committee recommend bill do pass as amended.
February 9, 1981	Bill printed and placed on members' desks.
February 10, 1981	Second reading do pass.
February 11, 1981	Correctly engrossed.
February 12, 1981	Third reading passed.

In The House

February 13, 1981	Introduced and referred to Committee on Agriculture.
March 19, 1981	Committee recommend bill do pass as amended.

In The Senate

March 24, 1981	Returned from House not concurred.
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1 *Senate* BILL NO. *156*  
 2 INTRODUCED BY *Hager or Bob Brown*  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A MONTANA  
 5 DAIRY MARKETING COMMITTEE; ESTABLISHING THE POWERS OF THE  
 6 COMMITTEE; AND IMPOSING A 1/2 OF 1 PERCENT ASSESSMENT ON  
 7 CERTAIN SALES OF MILK FOR PURPOSES OF ADMINISTERING THE  
 8 ACT."

9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Purpose. It is the public policy of this  
 12 state to protect and foster the health, prosperity, and  
 13 general welfare of its people by encouraging and promoting  
 14 intensive, scientific, and practical production and  
 15 marketing of fluid milk and dairy products, thereby also  
 16 contributing to the economy of the state through the  
 17 production of wealth, the stabilization of property values,  
 18 and the reliability of public revenues as a result of  
 19 enhanced bases of taxation.

20 Section 2. Definitions. As used in [this act], unless  
 21 the context otherwise requires, the following definitions  
 22 apply:

- 23 (1) "Committee" means the Montana dairy marketing  
 24 committee provided for in [section 2].  
 25 (2) "Dealer" means a person who handles, ships, buys,

1 processes, and sells dairy products or who acts as sales  
 2 purchasing agent, broker, or factor of dairy products.

3 (3) "Person" means an individual, corporation,  
 4 partnership, trust, association, cooperative, or any other  
 5 business unit, device, or arrangement.

6 (4) "Producer" means a person who produces milk from  
 7 cows and sells it for human or animal food or for medicinal  
 8 or industrial uses.

9 (5) "Producer-handler" means any person who produces  
 10 milk or milk fat and uses the production or any part of it  
 11 for processing or sale.

12 (6) "Ship" means to deliver or consign milk or cream  
 13 to a person dealing in processing, distributing, or  
 14 manufacturing dairy products for sale, for human or animal  
 15 consumption, or for industrial or medicinal uses.

16 Section 3. Appointment of committee -- composition --  
 17 districts -- nominees -- terms of office. (1) The governor  
 18 shall appoint the Montana dairy marketing committee which  
 19 shall be composed of five members, each of whom is an adult  
 20 citizen of Montana actively engaged in producing milk who  
 21 has derived a substantial portion of his income from the  
 22 production of milk for a minimum period of 5 years. One  
 23 member of the committee shall be appointed from each of the  
 24 following districts and must be a resident of and must have  
 25 milk producing facilities in the district from which

1 appointed:

2 (a) district 1, consisting of the counties of  
3 Flathead, Lake, Lincoln, Sanders, Glacier, and Toole;

4 (b) district 2, consisting of the counties of  
5 Missoula, Ravalli, Mineral, Powell, Silver Bow, Granite, and  
6 Deer Lodge;

7 (c) district 3, consisting of the counties of Cascade,  
8 Lewis and Clark, Teton, Pondera, Liberty, Chouteau, Judith  
9 Basin, Hill, Blaine, Phillips, Valley, Daniels, Sheridan,  
10 Fergus, Petroleum, and Roosevelt;

11 (d) district 4, consisting of the counties of  
12 Yellowstone, Sweet Grass, Stillwater, Carbon, Big Horn,  
13 Powder River, Carter, Fallon, Musselshell, Rosebud, Custer,  
14 Wibaux, Dawson, Richland, McCone, Garfield, Prairie, Golden  
15 Valley, and Treasure; and

16 (e) district 5, consisting of the counties of  
17 Gallatin, Park, Madison, Beaverhead, Jefferson, Broadwater,  
18 Meagher, and Hheatland.

19 (2) Committee members shall be appointed for a term of  
20 5 years, except that the terms of office of the committee  
21 members first appointed shall be as follows: district 1 for  
22 5 years; district 2 for 4 years; district 3 for 3 years;  
23 district 4 for 2 years; and district 5 for 1 year. Members  
24 appointed to fill unexpired terms shall be appointed for the  
25 remainder of the unexpired term. Any committee member who

1 discontinues producing milk in this state or who changes his  
2 residence to another district during his term of office  
3 shall forthwith cease to be a member of the committee.

4 (3) A list of nominees for appointment to the  
5 committee may be submitted to the governor by any Montana  
6 trade association, the membership of which is confined to  
7 milk producers, provided that such list must be submitted at  
8 least 45 days prior to [the effective date of this act] and  
9 thereafter 45 days prior to the expiration of any member's  
10 term.

11 (4) The committee is allocated to the department of  
12 agriculture for administrative purposes only, as provided in  
13 2-15-121.

14 Section 4. Compensation -- per diem. A member of the  
15 committee is entitled to compensation of \$30 for each day he  
16 is actually and necessarily engaged in the transaction of  
17 official business, plus travel expenses as provided in  
18 2-13-501 through 2-18-503, incurred while on official  
19 business.

20 Section 5. Election of committee officers -- time of  
21 meetings. At the first meeting and annually thereafter, the  
22 committee shall elect a chairman, vice-chairman, and  
23 secretary from among its members. The committee shall meet  
24 at least once every 3 months and at such other times as  
25 called by the chairman or a majority of the members of the

1 committee.

2 Section 6. Powers of the committee. (1) The committee  
3 may:

4 (a) adopt rules necessary for the administration of  
5 [this act];

6 (b) provide, through the department, for the  
7 enforcement of [this act];

8 (c) engage in dairy research, education, advertising,  
9 promotion, and publicity;

10 (d) attempt to find new markets for dairy products and  
11 their byproducts;

12 (e) promulgate and publicize statistics and other  
13 reliable information showing the value of milk, cream, and  
14 dairy products for any purpose considered useful;

15 (f) encourage the widespread national and  
16 international use of dairy products and byproducts produced  
17 in Montana;

18 (g) investigate and participate in studies of the  
19 problems peculiar to the dairy producers in Montana;

20 (h) enter into all contracts necessary or advisable in  
21 the furtherance of [this act]; sue and be sued; appoint and  
22 employ officers, agents, and other personnel, including  
23 experts in agriculture, dairying, and the publicizing of  
24 dairy products, and prescribe their duties and fix their  
25 compensation; make use of all advertising means and methods

1 as the committee considers advisable and enter into  
2 contracts and agreements for research and advertising within  
3 and without the state; lease, purchase, and own real or  
4 personal property necessary for the administration of [this  
5 act]; prosecute in the name of the state any suit or action  
6 for the collection of the assessment provided for in  
7 [section 7]; and

8 (i) accept grants, donations, and gifts from any  
9 source to be expended for any or all purposes consistent  
10 with [this act].

11 (2) The committee shall keep books, records, and  
12 accounts of all its activities, which shall be public  
13 records.

14 (3) None of the powers or duties provided in [this  
15 act] permit participation in state or federal political  
16 action by the committee.

17 Section 7. Assessments -- refunds. (1) Beginning on  
18 [the effective date of this act], there is assessed upon the  
19 producer a levy of 1/2 of 1% of the gross dollar periodic  
20 settlements for the sale of all milk and cream produced in  
21 the state of Montana and sold or contracted for sale through  
22 commercial channels, which assessment is due on or before  
23 the time when the milk or cream is first sold or contracted  
24 for sale in commercial channels. The assessment shall be  
25 paid by the first purchaser or producer-handler to the

1 department of agriculture not later than the 25th day of the  
2 month next succeeding the month in which the milk or cream  
3 is sold or contracted for sale in commercial channels.

4 (2) If a purchaser or a producer-handler fails to  
5 remit any money so collected or fails to make deductions for  
6 assessments, a penalty of 20% shall be added to the amount  
7 of any assessments that are unpaid when due, and the penalty  
8 shall be paid by the purchaser or producer-handler.

9 (3) The assessment constitutes a lien prior to all  
10 other liens and encumbrances upon the milk or cream, except  
11 liens that are given priority by a statute of this state.

12 (4) A producer may obtain a refund of assessments paid  
13 under [this act] for the prior calendar quarter upon  
14 submission of a written, verified request to the committee.  
15 The request must be filed with the committee on or before  
16 the close of the 40th day following the close of the  
17 calendar quarter and must be accompanied by the original  
18 statements received by the producer from the purchaser at  
19 the times of settlement.

20 Section 8. Purchaser's statements. (1) The purchaser  
21 or the producer-handler at the time of each settlement shall  
22 make and deliver separate statements for each purchase to  
23 the producer, and these statements shall be delivered at the  
24 time of each monthly or bimonthly payment date.

25 (2) The statements shall be on forms and in such

1 numbers as prescribed and approved by the committee and  
2 shall include at least the following:

3 (a) the names and addresses of the producer and  
4 purchaser or producer-handler;

5 (b) the dollar value of the milk and cream sold;

6 (c) the amount of the assessment collected in  
7 accordance with [this act]; and

8 (d) the date of the purchase.

9 (3) The statements shall be legibly written or typed  
10 and shall be free of any corrections or erasures on the face  
11 thereof.

12 (4) Any person who alters any part of any statement is  
13 guilty of a misdemeanor and upon conviction shall be  
14 punished as provided by [section 12].

15 Section 9. Dairy products research and marketing  
16 account. (1) There is an account in the federal and private  
17 revenue fund known as the dairy products research and  
18 marketing account. The following shall be placed in the  
19 account:

20 (a) the proceeds of all assessments and penalties  
21 collected under [this act]; and

22 (b) the proceeds from all gifts, grants, and donations  
23 to the department of agriculture for activities authorized  
24 under [this act].

25 (2) The dairy products research and marketing

1 committee account shall be maintained for the purposes of  
 2 [this act] and shall be separate from all other accounts of  
 3 the Department.

4 (3) The committee may be assessed costs by the  
 5 department only for those services requested by the  
 6 committee.

7 Section 10. Inspection of records. The committee  
 8 through its authorized agents may enter and inspect the  
 9 premises and records of any dealer or producer-handler for  
 10 the purpose of enforcing [this act].

11 Section 11. Contracts for research, promotion, and  
 12 marketing. The committee may not set up research units or  
 13 agencies of its own but shall cooperate and may enter into  
 14 contracts with lawful and proper local, state, or national  
 15 organizations, public or private, in carrying out all phases  
 16 of research, education, promotion, advertising, and  
 17 marketing contemplated by [this act].

18 Section 12. Violations -- penalty. Any person  
 19 violating any provision of [this act] is guilty of a  
 20 misdemeanor and punishable by fine or imprisonment, or both,  
 21 as provided in 46-18-212.

22 Section 13. Severability. If a part of this act is  
 23 invalid, all valid parts that are severable from the invalid  
 24 part remain in effect. If a part of this act is invalid in  
 25 one or more of its applications, the part remains in effect

1 in all valid applications that are severable from the  
 2 invalid applications.

-End-

## STATE OF MONTANA

REQUEST NO. 132-81

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 19, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 156 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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.

Description of Proposed Legislation

Senate Bill 156 provides new legislation creating a Montana Dairy Marketing Committee and specifies committee powers and duties.

Assumptions

1. This act will be effective July 1, 1981.
2. Funding sources for this act will be derived from assessments levied milk producers.
3. The assessment levied is  $\frac{1}{2}$  of 1% on first sale of milk with provisions for refunds.
4. That requests for refunds to be 1% of assessment value levied.
5. The Governor appoints 5 committee members to meet at least every three months.
6. The meetings will encompass  $1\frac{1}{2}$  days for each member for each meeting.
7. That the committee requests agency to be recipient and disbursing of assessment funds.
8. The department will assist in adoption of rules, collections, enforcement, activities, and contract review.
9. Two FTE will be required to administer the act.

<u>Revenue Impact</u>	<u>FY 1982</u>	<u>FY 1983</u>
$\frac{1}{2}$ of 1% of \$30,800,000	\$154,000	\$154,000

Fiscal Impact

<u>Total Expenditures of Proposed Law</u>		
Personal Services	\$ 42,052	\$ 42,052
Operations	106,408	110,408
Equipment	4,000	0
Refunds	<u>1,540</u>	<u>1,540</u>
	\$154,000	\$154,000

Fund Information

Earmarked Fund	\$154,000	\$154,000
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The net effect of this measure is \$0 because the additional revenues collected will be offset by additional expenditures.

*David M Lewis*

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-21-81

1 STATEMENT OF INTENT

2 SENATE BILL 156

3 Senate Agriculture, Livestock and Irrigation Committee

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6 it grants rulemaking authority to the Montana dairy  
7 marketing committee for the administration of this act. It  
8 is the intent of the legislature that the committee adopt  
9 rules relating to the awarding of contracts and research  
10 grants, and establish priorities, one of which should be  
11 nutritional education. The committee should also prescribe  
12 the form for applications for reports and refund  
13 applications. The legislature intends that the rules  
14 adopted by the committee be primarily procedural in nature  
15 and govern the workings of the committee.

16 First adopted by the Senate Agriculture, Livestock and  
17 Irrigation Committee on the 6th day of February, 1981.

Approved by Committee  
on Agriculture Livestock  
& Irrigation

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2 INTRODUCED BY HAGER, B. BROWN  
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25 (2) "Dealer" means a person who handles, ships, buys,

1 processes, and sells dairy products or who acts as sales  
2 purchasing agent, broker, or factor of dairy products.

3 ~~(3) "DEPARTMENT" MEANS THE DEPARTMENT OF LIVESTOCK.~~

4 ~~(3)(4)~~ "Person" means an individual, corporation,  
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6 business unit, device, or arrangement.

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12 part of it for processing or sale.

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8 (c) district 3, consisting of the counties of Cascade,  
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10 promotion, and publicity;

11 (d) attempt to find new markets for dairy products and  
12 their byproducts;

13 (e) promulgate and publicize statistics and other  
14 reliable information showing the value of milk, cream, and  
15 dairy products for any purpose considered useful;

16 (f) encourage the widespread national and  
17 international use of dairy products and byproducts produced  
18 in Montana;

19 (g) investigate and participate in studies of the  
20 problems peculiar to the dairy producers in Montana;

21 (h) enter into all contracts necessary or advisable in  
22 the furtherance of [this act]; sue and be sued; appoint-and  
23 employ-officers,--agents,--and--other--personnel,--including  
24 experts--in--agriculture,--dairying,--and--the--publicizing--of  
25 dairy-products,--and-prescribe-their--duties--and--fix--their

1 ~~compensation~~ make use of all advertising means and methods  
2 as the committee considers advisable and enter into  
3 contracts and agreements for research and advertising within  
4 and without the state; ~~lease, purchase, and own real or~~  
5 ~~personal property necessary for the administration of~~ [this  
6 act]; ~~prosecute in the name of the state any suit or action~~  
7 ~~for the collection of the assessment provided for in~~  
8 ~~[section 7]~~ and

9 (i) accept grants, donations, and gifts from any  
10 source to be expended for any or all purposes consistent  
11 with [this act].

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5 (3) The committee may be assessed costs by the  
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7 committee FOR THE SERVICES IT PROVIDES UPON REQUEST OF THE  
8 DEPARTMENT OR PURSUANT TO 2-15-121. HOWEVER, THE COSTS  
9 CHARGED MUST HAVE A SUBSTANTIAL RELATIONSHIP TO THE COST OF  
10 THE SERVICES PROVIDED.

11 Section 10. Inspection of records. The committee  
12 through its authorized agents may enter and inspect the  
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2 purchasing agent, broker, or factor of dairy products.

3 ~~(3)~~ "DEPARTMENT" MEANS THE DEPARTMENT OF LIVESTOCK.

4 ~~(3)(4)~~ "Person" means an individual, corporation,  
5 partnership, trust, association, cooperative, or any other  
6 business unit, device, or arrangement.

7 ~~(4)(5)~~ "Producer" means a person who produces milk  
8 from cows and sells it for human or animal food or for  
9 medicinal or industrial uses.

10 ~~(5)(6)~~ "Producer-handler" means any person who  
11 produces milk or milk fat and uses the production ~~or~~ OF any  
12 part of it for processing or sale.

13 ~~(6)(7)~~ "Ship" means to deliver or consign milk or  
14 cream to a person dealing in processing, distributing, or  
15 manufacturing dairy products for sale, for human or animal  
16 consumption, or for industrial or medicinal uses.

17 Section 3. Appointment of committee -- composition --  
18 districts -- nominees -- terms of office. (1) The governor  
19 shall appoint the Montana dairy marketing committee which  
20 shall be composed of five members, each of whom is an adult  
21 citizen of Montana actively engaged in producing milk who  
22 has derived a substantial portion of his income from the  
23 production of milk for a minimum period of 5 years. One  
24 member of the committee shall be appointed from each of the  
25 following districts and must be a resident of and must have

1 milk producing facilities in the district from which  
2 appointed:

3 (a) district 1, consisting of the counties of  
4 Flathead, Lake, Lincoln, Sanders, Glacier, and Toole;

5 (b) district 2, consisting of the counties of  
6 Missoula, Ravalli, Mineral, Powell, Silver Bow, Granite, and  
7 Deer Lodge;

8 (c) district 3, consisting of the counties of Cascade,  
9 Lewis and Clark, Teton, Pondera, Liberty, Chouteau, Judith  
10 Basin, Hill, Blaine, Phillips, Valley, Daniels, Sheridan,  
11 Fergus, Petroleum, and Roosevelt;

12 (d) district 4, consisting of the counties of  
13 Yellowstone, Sweet Grass, Stillwater, Carbon, Big Horn,  
14 Powder River, Carter, Fallon, Musselshell, Rosebud, Custer,  
15 Wibaux, Dawson, Richland, McCone, Garfield, Prairie, Golden  
16 Valley, and Treasure; and

17 (e) district 5, consisting of the counties of  
18 Gallatin, Park, Madison, Beaverhead, Jefferson, Broadwater,  
19 Meagher, and Wheatland.

20 (2) Committee members shall be appointed for a term of  
21 5 years, except that the terms of office of the committee  
22 members first appointed shall be as follows: district 1 for  
23 5 years; district 2 for 4 years; district 3 for 3 years;  
24 district 4 for 2 years; and district 5 for 1 year. Members  
25 appointed to fill unexpired terms shall be appointed for the

1 remainder of the unexpired term. Any committee member who  
2 discontinues producing milk in this state or who changes his  
3 residence to another district during his term of office  
4 shall forthwith cease to be a member of the committee.

5 (3) A list of nominees for appointment to the  
6 committee may be submitted to the governor by any Montana  
7 trade association, the membership of which is confined to  
8 milk producers, provided that such list must be submitted at  
9 least 45 days prior to [the effective date of this act] and  
10 thereafter 45 days prior to the expiration of any member's  
11 term.

12 (4) The committee is allocated to the department of  
13 agriculture for administrative purposes only, as provided in  
14 2-15-121.

15 Section 4. Compensation -- per diem. A member of the  
16 committee is entitled to compensation of \$30 for each day he  
17 is actually and necessarily engaged in the transaction of  
18 official business, plus travel expenses as provided in  
19 2-18-501 through 2-18-503, incurred while on official  
20 business.

21 Section 5. Election of committee officers -- time of  
22 meetings. At the first meeting and annually thereafter, the  
23 committee shall elect a chairman, vice-chairman, and  
24 secretary from among its members. The committee shall meet  
25 at least once every 3 months and at such other times as

1 called by the chairman or a majority of the members of the  
2 committee.

3 Section 6. Powers of the committee. (1) The committee  
4 may:

5 (a) adopt rules necessary for the administration of  
6 [this act];

7 (b) provide, through the department, for the  
8 enforcement of [this act];

9 (c) engage in dairy research, education, advertising,  
10 promotion, and publicity;

11 (d) attempt to find new markets for dairy products and  
12 their byproducts;

13 (e) promulgate and publicize statistics and other  
14 reliable information showing the value of milk, cream, and  
15 dairy products for any purpose considered useful;

16 (f) encourage the widespread national and  
17 international use of dairy products and byproducts produced  
18 in Montana;

19 (g) investigate and participate in studies of the  
20 problems peculiar to the dairy producers in Montana;

21 (h) enter into all contracts necessary or advisable in  
22 the furtherance of [this act]; sue and be sued; appoint-and  
23 employ-officers,--agents,--and--other--personnel,--including  
24 experts--in--agriculture,--dairying,--and--the-publicizing-of  
25 dairy-products,--and-present-be-their--duties--and--fix--their

1 ~~compensation~~ make use of all advertising means and methods  
2 as the committee considers advisable and enter into  
3 contracts and agreements for research and advertising within  
4 and without the state; ~~lease,--purchase,--and--own--real--or--~~  
5 ~~personal--property--necessary--for--the--administration--of--~~[this  
6 ~~act];--prosecute--in--the--name--of--the--state--any--suit--or--action~~  
7 ~~for--the--collection--of--the--assessment--provided--for--in~~  
8 ~~[section-7];~~ and

9 (i) accept grants, donations, and gifts from any  
10 source to be expended for any or all purposes consistent  
11 with [this act].

12 (2) The committee shall keep books, records, and  
13 accounts of all its activities, which shall be public  
14 records.

15 (3) None of the powers or duties provided in [this  
16 act] permit participation in state or federal political  
17 action by the committee.

18 Section 7. Assessments -- refunds. (1) Beginning on  
19 [the effective date of this act], there is assessed upon the  
20 producer a levy of 1/2 of 1% of the gross dollar periodic  
21 settlements for the sale of all milk and cream produced in  
22 the state of Montana and sold or contracted for sale through  
23 commercial channels, which assessment is due on or before  
24 the time when the milk or cream is first sold or contracted  
25 for sale in commercial channels. The assessment shall be

1 paid by the first purchaser or producer-handler to the  
2 department of agriculture not later than the 25th day of the  
3 month next succeeding the month in which the milk or cream  
4 is sold or contracted for sale in commercial channels.

5 (2) If a purchaser or a producer-handler fails to  
6 remit any money so collected or fails to make deductions for  
7 assessments, a penalty of 20% shall be added to the amount  
8 of any assessments that are unpaid when due, and the penalty  
9 shall be paid by the purchaser or producer-handler.

10 (3) The assessment constitutes a lien prior to all  
11 other liens and encumbrances upon the milk or cream, except  
12 liens that are given priority by a statute of this state.

13 (4) A producer may obtain a refund of assessments paid  
14 under [this act] for the prior calendar quarter upon  
15 submission of a written, verified request to the committee.  
16 The request must be filed with the committee on or before  
17 the close of the 40th day following the close of the  
18 calendar quarter and must be accompanied by the original  
19 statements received by the producer from the purchaser at  
20 the times of settlement.

21 Section 8. Purchaser's statements. (1) The purchaser  
22 or the producer-handler at the time of each settlement shall  
23 make and deliver separate statements for each purchase to  
24 the producer, and these statements shall be delivered at the  
25 time of each monthly or bimonthly payment date.

1 (2) The statements shall be on forms and in such  
2 numbers as prescribed and approved by the committee and  
3 shall include at least the following:

4 (a) the names and addresses of the producer and  
5 purchaser or producer-handler;

6 (b) the dollar value of the milk and cream sold;

7 (c) the amount of the assessment collected in  
8 accordance with [this act]; and

9 (d) the date of the purchase.

10 (3) The statements shall be legibly written or typed  
11 and shall be free of any corrections or erasures on the face  
12 thereof.

13 (4) Any person who alters any part of any statement is  
14 guilty of a misdemeanor and upon conviction shall be  
15 punished as provided by [section 12].

16 Section 9. Dairy products research and marketing  
17 account. (1) There is an account in the federal and private  
18 revenue fund known as the dairy products research and  
19 marketing account. The following shall be placed in the  
20 account:

21 (a) the proceeds of all assessments and penalties  
22 collected under [this act]; and

23 (b) the proceeds from all gifts, grants, and donations  
24 to the department of agriculture for activities authorized  
25 under [this act].

1 (2) The dairy products research and marketing  
2 committee account shall be maintained for the purposes of  
3 [this act] and shall be separate from all other accounts of  
4 the department.

5 (3) The committee may be assessed costs by the  
6 department ~~only---for---those---services---requested---by---the~~  
7 committee FOR THE SERVICES IT PROVIDES UPON REQUEST OF THE  
8 DEPARTMENT OR PURSUANT TO 2-15-121. HOWEVER, THE COSTS  
9 CHARGED MUST HAVE A SUBSTANTIAL RELATIONSHIP TO THE COST OF  
10 THE SERVICES PROVIDED.

11 Section 10. Inspection of records. The committee  
12 through its authorized agents may enter and inspect the  
13 premises and records of any dealer or producer-handler for  
14 the purpose of enforcing [this act].

15 Section 11. Contracts for research, promotion, and  
16 marketing. The committee may not set up research units or  
17 agencies of its own but shall cooperate and may enter into  
18 contracts with lawful and proper local, state, or national  
19 organizations, public or private, in carrying out all phases  
20 of research, education, promotion, advertising, and  
21 marketing contemplated by [this act].

22 Section 12. Violations -- penalty. Any person  
23 violating any provision of [this act] is guilty of a  
24 misdemeanor and punishable by fine or imprisonment, or both,  
25 as provided in 46-18-212.

1 Section 13. Severability. If a part of this act is  
2 invalid, all valid parts that are severable from the invalid  
3 part remain in effect. If a part of this act is invalid in  
4 one or more of its applications, the part remains in effect  
5 in all valid applications that are severable from the  
6 invalid applications.

-End-

reports that SENATE BILL 156 shall:

Be amended in the 3rd reading copy as follows:

1. Page 8, line 17.

Following: "account"

Insert: "--appropriation--assessment of costs"

2. Page 9.

Following: line 4

Insert: (3) The balance of the proceeds received under  
the provisions of this part are appropriated to the  
committee for the purposes of carrying out the provision  
of **(this act)**.

Renumber: subsequent subsection

BE CONCURRED IN AS AMENDED 3/18/81