

HB 86      INTRODUCED BY ASAY  
          CREATES AN AGRICULTURAL MARKETING PROGRAM IN THE  
          DEPARTMENT OF AGRICULTURE

1/05    INTRODUCED

1/05    REFERRED TO AGRICULTURE, LIVESTOCK &  
          IRRIGATION

1/12    HEARING

1/13    COMMITTEE REPORT--BILL PASSED AS AMENDED

1                    HOUSE    BILL NO.    86  
2    INTRODUCED BY    ASAY

3  
4    A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A MONTANA  
5    AGRICULTURAL MARKETING PROGRAM; AUTHORIZING THE DEPARTMENT  
6    OF AGRICULTURE TO ADMINISTER THE PROGRAM; APPROPRIATING  
7    FUNDS; AND PROVIDING AN EFFECTIVE DATE."

8  
9            WHEREAS, the export of Montana agricultural products  
10    contributes substantial benefits to the state economy,  
11    provides jobs, generates sizable revenues for state and  
12    local governments, and contributes to the balance of United  
13    States trade; and

14           WHEREAS, the value of Montana agricultural exports  
15    dropped 55% during the year ending September 30, 1985,  
16    resulting in the loss of \$290.3 million in export sales in  
17    one year alone; and

18           WHEREAS, the United States' share of the world grain  
19    and feed trade declined 23% between 1985 and 1986,  
20    exemplifying a continuation of the trend experienced in  
21    Montana agriculture; and

22           WHEREAS, new market opportunities in foreign and  
23    domestic trade must be sought if Montana producers are to  
24    increase farm income and profit; and

25           WHEREAS, international markets, especially Asian

1    markets, represent an important opportunity for the  
2    expansion of Montana agricultural trade; and

3            WHEREAS, most Montana producers and shippers have  
4    little expertise or knowledge in export trade, and many are  
5    unaware of national and state trade programs and are not  
6    organized to initiate meaningful marketing programs; and

7            WHEREAS, Montana producers could penetrate foreign and  
8    domestic markets if they received assistance in identifying  
9    and entering these markets; and

10           WHEREAS, the marketing of Montana agricultural products  
11    is conducted in a fragmented manner, with marketing being  
12    performed by the Montana Pork Research and Marketing  
13    Committee, the Montana Beef Council, the Montana Wheat  
14    Research and Marketing Committee, and the Montana Department  
15    of Commerce, in addition to the Montana Department of  
16    Agriculture; and

17           WHEREAS, without an improvement in the state's  
18    agricultural marketing effort, Montana's share of the market  
19    will be eroded by other states and foreign nations that are  
20    aggressively marketing their agricultural products in an  
21    effort to expand their market share; and

22           WHEREAS, Montana agricultural products do not have a  
23    strong identity in either foreign or domestic markets, and  
24    the efforts of the state to improve market identity for its  
25    products are often overshadowed by states with greater



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          HB 86

1 resources; and

2 WHEREAS, in order to maintain and expand Montana's  
3 market share, Montana must be willing to spend time, money,  
4 and effort to market Montana agricultural products.

5 THEREFORE, the Legislature of the State of Montana  
6 finds it appropriate and necessary to establish an  
7 adequately staffed and funded program to assist producers  
8 and marketers in marketing agricultural products, without  
9 duplicating established public or private marketing efforts.

10

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

12 Section 1. Legislative declaration. The legislature  
13 hereby declares that, as the constitutionally mandated  
14 agency responsible for protecting, enhancing, and developing  
15 all agriculture in Montana, the department of agriculture is  
16 the agency of state government having primary authority for  
17 the promotion and development of markets for Montana  
18 agricultural commodities and products.

19 Section 2. Agricultural marketing program -- purpose.

20 (1) The department of agriculture shall establish and  
21 administer an agricultural marketing program.

22 (2) The purpose of the agricultural marketing program  
23 is to:

24 (a) assist Montana producers and marketers in  
25 developing and carrying out effective marketing for their

1 commodities and products;

2 (b) promote the purchase of Montana agricultural  
3 commodities and products in both foreign and domestic  
4 markets; and

5 (c) develop and expand markets for Montana  
6 agricultural commodities and products.

7 Section 3. Powers and duties. In addition to the  
8 powers and duties provided in 80-1-102, 80-11-102, and  
9 80-11-103, the department of agriculture has the following  
10 powers and duties with regard to administration of an  
11 agricultural marketing program:

12 (1) to study the potential marketability of various  
13 Montana agricultural commodities and products in foreign and  
14 domestic trade;

15 (2) to collect, prepare, and analyze foreign and  
16 domestic market data;

17 (3) to maintain close interaction with foreign firms  
18 and foreign governmental agencies;

19 (4) to act as an effective intermediary between  
20 foreign nations and Montana producers, distributors, and  
21 dealers;

22 (5) to conduct an active market development program by  
23 sending representatives to, or engaging representatives in,  
24 foreign countries to promote the state's agricultural  
25 commodities and products;

1 (6) to assist and make agricultural producers and  
2 businesses more aware of the potentials of foreign trade and  
3 to encourage production of those commodities and products  
4 that have high export market potential;

5 (7) to organize and participate in trade missions,  
6 trade shows, and trade exhibits;

7 (8) to coordinate the trade promotional activities of  
8 appropriate federal, state, and local public agencies, as  
9 well as private organizations;

10 (9) to identify problems in agricultural marketing;

11 (10) to prepare information on marketing opportunities  
12 and make it available to the public; and

13 (11) to develop an electronic marketing service that  
14 will allow the immediate transfer of trade leads and  
15 referrals from the department to participating Montana  
16 agricultural firms and businesses.

17 Section 4. Coordination of marketing effort. In  
18 accordance with the declaration of policy contained in  
19 2-15-101, the department of agriculture shall coordinate its  
20 marketing program with the department of commerce to  
21 minimize overlapping and duplication of marketing effort.

22 Section 5. Cooperation of state agencies. In  
23 accordance with the provisions of 80-11-104 and [section 1],  
24 all agencies engaged in the marketing of agricultural  
25 commodities and products shall cooperate with the department

1 of agriculture in carrying out their marketing functions.

2 Section 6. Appropriation. For the purpose of  
3 administering the program provided for in [section 2], there  
4 is appropriated from the general fund to the department of  
5 agriculture the sum of \$100,000 for each fiscal year in the  
6 biennium ending June 30, 1989.

7 Section 7. Effective date. This act is effective July  
8 1, 1987.

-End-

APPROVED BY COMMITTEE  
ON AGRICULTURE LIVESTOCK  
AND IRRIGATION

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9 WHEREAS, the export of Montana agricultural products  
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12 local governments, and contributes to the balance of United  
13 States trade; and

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19 will be eroded by other states and foreign nations that are  
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16 ~~the agency of state government having primary authority for~~  
17 ~~the promotion and development of markets for Montana~~  
18 ~~agricultural commodities and products.~~

19 Section 1. Agricultural marketing program -- purpose.

20 (1) The department of agriculture shall establish and  
21 administer an agricultural marketing program. IN  
22 ESTABLISHING THE PROGRAM, THE DEPARTMENT SHALL DEVISE  
23 SPECIFIC, MEASURABLE GOALS AND OBJECTIVES FOR EACH ASPECT OF  
24 THE PROGRAM.

25 (2) The purpose of the agricultural marketing program

1 is to:

2 (a) assist Montana producers and marketers in  
3 developing and carrying out effective marketing for their  
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5 (b) promote the purchase of Montana agricultural  
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23 marketing program with the department of commerce to  
24 minimize ELIMINATE overlapping and duplication of marketing  
25 effort.

1 Section 4. Cooperation of state agencies. In  
2 accordance with the provisions of 80-11-104 and ~~{section-i}~~,  
3 all agencies OF STATE GOVERNMENT engaged in the marketing of  
4 agricultural commodities and products shall cooperate with  
5 the department of agriculture in carrying out their  
6 marketing functions.

7 Section 5. Appropriation. For the purpose of  
8 administering the program provided for in [section 2 1],  
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10 department of agriculture the sum of \$100,000 for each  
11 fiscal year in the biennium ending June 30, 1989.

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