

HOUSE BILL NO. 184

INTRODUCED BY BRANDEWIE, MERCER

BY REQUEST OF THE DEPARTMENT OF AGRICULTURE

IN THE HOUSE

JANUARY 14, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON AGRICULTURE, LIVESTOCK & IRRIGATION.

JANUARY 23, 1987 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

 STATEMENT OF INTENT ADOPTED.

JANUARY 24, 1987 PRINTING REPORT.

JANUARY 26, 1987 SECOND READING, DO PASS.

JANUARY 27, 1987 ENGROSSING REPORT.

 THIRD READING, PASSED.

 TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 28, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON AGRICULTURE, LIVESTOCK & IRRIGATION.

FEBRUARY 5, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

FEBRUARY 9, 1987 SECOND READING, CONCURRED IN.

FEBRUARY 11, 1987 THIRD READING, CONCURRED IN.
AYES, 48; NOES, 0.

 RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 12, 1987 RECEIVED FROM SENATE.

 SENT TO ENROLLING.

1 HB BILL NO. 184
 2 INTRODUCED BY Barbara Mace
 3 BY REQUEST OF THE DEPARTMENT OF AGRICULTURE
 4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
 6 DEPARTMENT OF AGRICULTURE TO ESTABLISH FEES FOR THE
 7 INSPECTION AND CERTIFICATION OF APPLES; SPECIFYING THAT SUCH
 8 FEES MUST BE DEPOSITED IN AN ENTERPRISE FUND TO PAY THE
 9 COSTS OF PROVIDING SERVICES; GRANTING RULEMAKING AUTHORITY;
 10 AMENDING SECTION 80-3-201, MCA; AND PROVIDING AN EFFECTIVE
 11 DATE."
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 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 NEW SECTION. Section 1. Fees to be established by
 15 rule. The department of agriculture shall by rule set fees
 16 for services performed under this part. Such fees must be
 17 designed to reimburse the department for the costs of
 18 inspecting and certifying apples as authorized under
 19 80-3-201.
 20 NEW SECTION. Section 2. Apple inspection fund. (1)
 21 There is an enterprise fund in the state treasury known as
 22 the apple inspection fund.
 23 (2) The department shall pay into the apple inspection
 24 fund all fees provided for in [section 1].
 25 (3) The money in the apple inspection fund is

1 allocated to the department to pay the costs of providing
 2 services under this part.
 3 Section 3. Section 80-3-201, MCA, is amended to read:
 4 "80-3-201. Inspection of apples packed for sale. (1)
 5 The department of agriculture shall inspect all apples
 6 packed for sale or shipment under this part.
 7 (2) The department may:
 8 (a) certify to the grade and pack of apples packed for
 9 sale or shipped under this part and charge the owner,
 10 packer, or shipper a fee fixed by the department for these
 11 services, as provided in [section 1];
 12 (b) adopt rules regarding inspection and certification
 13 of apples under this part."
 14 NEW SECTION. Section 4. Codification instruction.
 15 Sections 1 and 2 are intended to be codified as an integral
 16 part of Title 80, chapter 3, part 2, and the provisions of
 17 Title 80, chapter 3, part 2, apply to sections 1 and 2.
 18 NEW SECTION. Section 5. Effective date. This act is
 19 effective July 1, 1987.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB184, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

This bill requires the Department of Agriculture to establish fees for the inspection and certification of apples. Fees are to be deposited in an enterprise fund to pay the costs of providing services.

ASSUMPTIONS:

1. Apple trees planted in 1980 will come into production in FY88.
2. 100 production acres with 1,250 boxes of apples per acre per year -- or 125,000 boxes.
3. Minimum charge for inspection is .03 per box, which is industry production figure.
4. Grading done by licensed federal/state employee as per federal/state inspection agreement.

FISCAL IMPACT:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
Personal Services	\$ 0	\$ 2,619	\$ 2,619	\$ 0	\$ 2,626	\$ 2,626
Operating Expenses	0	669	669	0	652	652
Equipment	0	0	0	0	0	0
TOTAL	\$ 0	\$ 3,288	\$ 3,288	\$ 0	\$ 3,278	\$ 3,278
<u>Revenues:</u>						
Inspection Fee*	\$ 0	\$ 3,750	\$ 3,750	\$ 0	\$ 3,750	\$ 3,750

*Revenue reflects minimum charge per industry standards for inspection. Usage of excess funds would be dependent on funding (see technical note).

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Apple industry will add revenues to counties in the form of payroll and other assessments by allowing out-of-state markets. No estimate available.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

None.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

Funding should be determined by accounting to meet GAAP requirements.

David L. Hunter DATE 1/20/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Raymond Brandewie DATE 1-21-87
RAYMOND BRANDEWIE, PRIMARY SPONSOR

Fiscal Note for HB184, as introduced.

HB 184

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

STATEMENT OF INTENT

HOUSE BILL 184

House Agriculture, Livestock, and Irrigation Committee

A statement of intent is required for this bill because section 1 requires the department of agriculture to adopt rules establishing fees for the inspection and certification of apples.

In adopting rules under section 1, the department should set fees in an amount sufficient to reimburse the department for the costs of providing services under 80-3-201. It is the intent of the legislature that the costs of such services should be recovered by fees in order to allow the activities of the department to be primarily self-supporting. However, such fees may be less than the actual costs of services if, in the determination of the department, the fees charged would be harmful to the industry.

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16 for services performed under this part. Such fees must be
17 designed to reimburse the department for the costs of
18 inspecting and certifying apples as authorized under
19 80-3-201.

20 NEW SECTION. Section 2. Apple inspection fund. (1)
21 There is an enterprise fund in the state treasury known as
22 the apple inspection fund.

23 (2) The department shall pay into the apple inspection
24 fund all fees provided for in [section 1].

25 (3) The money in the apple inspection fund is

1 allocated to the department to pay the costs of providing
2 services under this part.

3 Section 3. Section 80-3-201, MCA, is amended to read:
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5 The department of agriculture shall inspect all apples
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7 (2) The department may:

8 (a) certify to the grade and pack of apples packed for
9 sale or shipped under this part and charge the owner,
10 packer, or shipper a fee fixed by the department for these
11 services, as provided in [section 1];

12 (b) adopt rules regarding inspection and certification
13 of apples under this part."

14 NEW SECTION. Section 4. Codification instruction.
15 Sections 1 and 2 are intended to be codified as an integral
16 part of Title 80, chapter 3, part 2, and the provisions of
17 Title 80, chapter 3, part 2, apply to sections 1 and 2.

18 NEW SECTION. Section 5. Effective date. This act is
19 effective July 1, 1987.

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REFERENCE BILL

HB-184

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