

SB 278 INTRODUCED BY WEEDING, RAPP-SVRCEK, HOFMAN, S., ET AL.
ADOPTS THE INTERSTATE COMPACT ON AGRICULTURAL GRAIN
MARKETING

2/03 INTRODUCED
2/03 REFERRED TO AGRICULTURE, LIVESTOCK &
IRRIGATION
2/04 FISCAL NOTE REQUESTED
2/11 HEARING
2/12 FISCAL NOTE RECEIVED
2/18 ADVERSE COMMITTEE REPORT ADOPTED 31 19

1 *Senate* BILL NO. *278*
 2 INTRODUCED BY *Walter G. Bergeson, State Representative, Holiday*
 3 *Schye P. Bergeson, P.O. Lybeck*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ADOPTING THE INTERSTATE *Compact*
 5 COMPACT ON AGRICULTURAL GRAIN MARKETING; PROVIDING FOR AN
 6 INTERSTATE COMMISSION TO CONDUCT STUDIES AND INVESTIGATIONS
 7 OF AGRICULTURAL GRAIN MARKETING PRACTICES, PROCEDURES, AND
 8 CONTROLS; ESTABLISHING FUNDING FOR THE OPERATION OF THE
 9 COMMISSION DURING THE INITIAL BIENNIUM OF THE COMPACT; AND
 10 PROVIDING AN EFFECTIVE DATE."

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

13 Section 1. Short title. [This act] may be cited as the
14 "Interstate Compact on Agricultural Grain Marketing".

15 Section 2. Enactment of compact. The Interstate
16 Compact on Agricultural Grain Marketing is hereby enacted
17 into law and entered into by this state with all other
18 jurisdictions legally joining therein in the form
19 substantially as follows:

20 INTERSTATE COMPACT ON AGRICULTURAL GRAIN MARKETING

21 ARTICLE I. PURPOSE

22 It is the purpose of this compact to protect, preserve
23 and enhance:

24 (a) the economic and general welfare of citizens of
25 the joining states engaged in the production and sale of

1 agricultural grains;

2 (b) the economies and very existence of local
3 communities in such states, the economies of which are
4 dependent upon the production and sale of agricultural
5 grains; and

6 (c) the continued production of agricultural grains in
7 such states in quantities necessary to feed the increasing
8 population of the United States and the world.

9 ARTICLE II. DEFINITIONS

10 As used in this compact:

11 (a) "State" means any state of the United States in
12 which agricultural grains are produced for the markets of
13 the nation and world.

14 (b) "Agricultural" grains means wheat, durum, spelt,
15 triticale, oats, rye, corn, barley, buckwheat, flaxseed,
16 safflower, sunflower seed, soybeans, sorghum grains, peas
17 and beans.

18 ARTICLE III. COMMISSION

19 (a) Organization and Management

20 (1) Membership. There is hereby created an agency of
21 the member states to be known as the Interstate Agricultural
22 Grain Marketing Commission, hereinafter called the
23 commission. The commission shall consist of three residents
24 of each member state who shall have an agricultural
25 background and who shall be appointed as follows: (1) one

1 member appointed by the governor, who shall serve at the
 2 pleasure of the governor; (2) one senator appointed in the
 3 manner prescribed by the senate of such state, except that
 4 two senators may be appointed by the Governor of the State
 5 of Nebraska from the unicameral legislature of the state of
 6 Nebraska; and (3) one member of the house of
 7 representatives appointed in the manner prescribed by the
 8 house of representatives of such state. The member first
 9 appointed by the governor shall serve for a term of one year
 10 and the senator and representative first appointed shall
 11 each serve for a term of two years; thereafter all members
 12 appointed shall serve for two-year terms. The attorneys
 13 general of member states or assistants designated thereby
 14 shall be nonvoting members of the commission.

15 (2) Voting -- binding action. Each member shall be
 16 entitled to one vote. A member must be present to vote and
 17 no voting by proxy shall be permitted. The commission shall
 18 not act unless a majority of the voting members are present,
 19 and no action shall be binding unless approved by a majority
 20 of the total number of voting members present.

21 (3) Body corporate -- seal. The commission shall be a
 22 body corporate of each member state and shall adopt an
 23 official seal to be used as it may provide.

24 (4) Meetings. The commission shall hold an annual
 25 meeting and such other regular meetings as its bylaws may

1 provide and such special meetings as its executive committee
 2 may determine. The commission bylaws shall specify the dates
 3 of the annual and any other regular meetings, and shall
 4 provide for the giving of notice of annual, regular and
 5 special meetings. Notices of special meetings shall include
 6 the reasons therefor and an agenda of the items to be
 7 considered.

8 (5) Officers. The commission shall elect annually,
 9 from among its voting members, a chairperson, a
 10 vice-chairperson and a treasurer. The commission shall
 11 appoint an executive director who shall serve at its
 12 pleasure, and shall fix the duties and compensation of such
 13 director. The executive director shall be secretary of the
 14 commission. The commission shall make provision for the
 15 bonding of such of its officers and employees as it may deem
 16 appropriate.

17 (6) Personnel. Irrespective of the civil service,
 18 personnel or other merit system laws of any member state,
 19 the executive director shall appoint or discharge such
 20 personnel as may be necessary for the performance of the
 21 functions of the commission and shall fix, with the approval
 22 of the commission, their duties and compensation. The
 23 commission bylaws shall provide for personnel policies and
 24 programs. The commission may establish and maintain,
 25 independently of or in conjunction with any one or more of

1 the member states, a suitable retirement system for its
 2 full-time employees. Employees of the commission shall be
 3 eligible for social security coverage in respect of old age
 4 and survivors insurance provided that the commission takes
 5 such steps as may be necessary pursuant to federal law to
 6 participate in such program of insurance as a governmental
 7 agency or unit. The commission may establish and maintain or
 8 participate in such additional programs of employee benefits
 9 as may be appropriate. The commission may borrow, accept or
 10 contract for the services of personnel from any state, the
 11 United States, or any other governmental entity.

12 (7) Donations and grants. The commission may accept
 13 for any of its purposes and functions any and all donations
 14 and grants of money, equipment, supplies, materials and
 15 services, conditional or otherwise, from any governmental
 16 entity, and may utilize and dispose of the same.

17 (8) Offices. The commission may establish one or more
 18 offices for the transacting of its business.

19 (9) Bylaws. The commission shall adopt bylaws for the
 20 conduct of its business. The commission shall publish its
 21 bylaws in convenient form, and shall file a copy of the
 22 bylaws and any amendments thereto with the appropriate
 23 agency or officer in each of the member states.

24 (10) Reports to member states. The commission annually
 25 shall make to the governor and legislature of each member

1 state a report covering its activities for the preceding
 2 year. Any donation or grant accepted by the commission or
 3 services borrowed shall be reported in the annual report of
 4 the commission, and shall include the nature, amount and
 5 conditions, if any, of the donation, gift, grant or services
 6 borrowed and the identity of the donor or lender. The
 7 commission may make additional reports as it may deem
 8 desirable.

9 (b) Committees

10 (1) The commission may establish such committees from
 11 its membership as its bylaws may provide for the carrying
 12 out of its functions.

13 ARTICLE IV. POWERS AND DUTIES OF COMMISSION

14 (a) The commission shall conduct comprehensive and
 15 continuing studies and investigations of agricultural grain
 16 marketing practices, procedures and controls and their
 17 relationship to and effect upon the citizens and economies
 18 of the member states.

19 (b) The commission shall make recommendations for the
 20 correction of weaknesses and solutions to problems in the
 21 present system of agricultural grain marketing or the
 22 development of alternatives thereto, including the
 23 development, drafting, and recommendation of proposed state
 24 or federal legislation.

25 (c) The commission is hereby authorized to do all

1 things necessary and incidental to the administration of its
2 functions under this compact.

3 ARTICLE V. FINANCE

4 (a) Budget. The commission shall submit to the
5 governor of each member state a budget of its estimated
6 expenditures for such period as may be required by the laws
7 of that state for presentation to the legislature thereof.

8 (b) Funding by member states. The moneys necessary to
9 finance the general operations of the commission not
10 otherwise provided for in carrying forth its duties,
11 responsibilities and powers as stated herein shall be
12 appropriated to the commission by the member states, when
13 authorized by the respective legislatures. Appropriations
14 by member states for the financing of the operations of the
15 commission in the initial biennium of the compact shall be
16 in the amount of \$50,000 for each member state; thereafter
17 the total amount of appropriations requested shall be
18 apportioned among the member states in the manner determined
19 by the commission. Failure of a member state to provide its
20 share of financing shall be cause for the state to lose its
21 membership in the compact.

22 (c) Incurring obligations and pledge of credit. The
23 commission shall not incur any obligations of any kind prior
24 to the making of appropriations adequate to meet the same;
25 nor shall the commission pledge the credit of any of the

1 member states, except by and with the authority of the
2 member state.

3 (d) Accounts -- audits. The commission shall keep
4 accurate accounts of all receipts and disbursements. The
5 receipts and disbursements of the commission shall be
6 subject to the audit and accounting procedures established
7 under its bylaws. However, all receipts and disbursements of
8 funds handled by the commission shall be audited yearly by a
9 certified or licensed public accountant and the report of
10 the audit shall be included in and become part of the annual
11 report of the commission.

12 (e) Accounts -- examination. The accounts of the
13 commission shall be open for inspection at any reasonable
14 time.

15 ARTICLE VI. ELIGIBLE PARTIES, ENTRY INTO FORCE,
16 WITHDRAWAL AND TERMINATION

17 (a) Eligible parties. Any agricultural grain marketing
18 state may become a member of this compact.

19 (b) Entry into force. This compact shall become
20 effective initially when enacted into law by any five states
21 prior to July 1, 1988, and in additional states upon their
22 enactment of the same into law.

23 (c) Withdrawal. Any member state may withdraw from
24 this compact by enacting a statute repealing the compact,
25 but such withdrawal shall not become effective until one

1 year after the enactment of such statute and the
2 notification of the commission thereof by the governor of
3 the withdrawing state. A withdrawing state shall be liable
4 for any obligations which it incurred on account of its
5 membership up to the effective date of withdrawal, and if
6 the withdrawing state has specifically undertaken or
7 committed itself to any performance of an obligation
8 extending beyond the effective date of withdrawal, it shall
9 remain liable to the extent of such obligation.

10 (d) Termination. This compact shall terminate one year
11 after the notification of withdrawal by the governor of any
12 member state which reduces the total membership in the
13 compact to less than five states.

14 Section 3. Effective date. This act is effective July
15 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 SB278, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act adopting the interstate compact on agricultural grain marketing; providing for an interstate commission to conduct studies and investigations of agricultural grain marketing practices, procedures, and controls; establishing funding for the operation of the commission during the initial biennium of the compact; and providing an effective date.

ASSUMPTIONS:

1. Assume four (4) Montana Commissioners.
2. Assume Interstate Marketing Commission office located out-of-state; Illinois used to estimate travel.
3. Assume four (4) commission members travel to five (5) commission meeting per year out-of-state (3 days, 2 nights) and two (2) trips out-of-country (8 days, 7 nights) to promote and develop market relations.
4. Assume major research/development activities contracted out.
5. Assume \$50 per day per diem paid to commission members.
6. Assume non-voting member attends commission meetings, but no foreign travel.
7. Assume general fund support.

FISCAL IMPACT:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
Personal	\$ 0	\$ 5,400	\$ 5,400	\$ 0	\$ 5,400	\$ 5,400
Operating -						
Supplies	0	600	600	0	600	600
Communication	0	1,800	1,800	0	1,800	1,800
Travel	0	28,750	28,750	0	28,750	28,750
Dues	0	25,000	25,000	0	25,000	25,000
TOTAL	\$ 0	\$ 61,550	\$ 61,550	\$ 0	\$ 61,550	\$ 61,550
<u>Funding:</u>						
General Fund	\$ 0	\$ 61,550	\$ 61,550	\$ 0	\$ 61,550	\$ 61,550

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

The bill does not attach the commission to any state department.

David L. Hunter DATE 2/9/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

 CECIL WEEDING, PRIMARY SPONSOR
 Fiscal Note for SB278, as introduced.

SB 278

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB278, as introduced.

REVISED FISCAL NOTE

DESCRIPTION OF PROPOSED LEGISLATION:

An act adopting the interstate compact on agricultural grain marketing; providing for an interstate commission to conduct studies and investigations of agricultural grain marketing practices, procedures, and controls; establishing funding for the operation of the commission during the initial biennium of the compact; and providing an effective date.

ASSUMPTIONS:

1. Assume four (4) Montana Commissioners.
2. Assume Interstate Marketing Commission office located out-of-state; Illinois used to estimate travel.
3. Assume four (4) commission members travel as follows:
 - in year one: one in-state meeting, in Helena, for two days
 - one out-of-state meeting, lasting three days and two nights
 - in year two: one in-state meeting, in Helena, for two days
 - two out-of-state meetings, lasting three days and two nights
4. Assume major research/development activities contracted out.
5. Assume \$50 per day per diem paid to commission members.
6. Assume general fund support.

FISCAL IMPACT:

	FY88			FY89		
	Current	Proposed	Difference	Current	Proposed	Difference
	Law	Law		Law	Law	
<u>Expenditures:</u>						
Personal	\$ 0	\$ 2,200	\$ 2,200	\$ 0	\$ 2,200	\$ 2,200
Operating -						
Supplies	0	600	600	0	600	600
Communication	0	1,800	1,800	0	1,800	1,800
Travel	0	8,460	8,460	0	8,460	8,460
Dues	0	25,000	25,000	0	25,000	25,000
TOTAL	\$ 0	\$ 38,060	\$ 38,060	\$ 0	\$ 38,060	\$ 38,060
<u>Funding:</u>						
General Fund	\$ 0	\$ 38,060	\$ 38,060	\$ 0	\$ 38,060	\$ 38,060

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

The bill does not attach the commission to any state department.

David L. Hunter DATE 2/12/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

Cecil Weeding DATE 2/18/87
 CECIL WEEDING, PRIMARY SPONSOR

Fiscal Note for SB278, as introduced.REVISED FISCAL NOTE SB278
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