

HOUSE BILL NO. 360

INTRODUCED BY CONNELLY, HARP, LEE, OWENS, SMITH, PETERSON,
MERCER, COHEN, R. NELSON, BOHARSKI, B. BROWN

IN THE HOUSE

JANUARY 23, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK & IRRIGATION.
JANUARY 24, 1989	FIRST READING.
JANUARY 31, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 1, 1989	PRINTING REPORT.
FEBRUARY 2, 1989	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 3, 1989	ENGROSSING REPORT.
FEBRUARY 4, 1989	THIRD READING, PASSED. AYES, 86; NOES, 9.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 6, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK & IRRIGATION.
	FIRST READING.
MARCH 6, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 7, 1989	SECOND READING, CONCURRED IN.
MARCH 9, 1989	THIRD READING, CONCURRED IN. AYES, 46; NOES, 4.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 10, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *360*
 2 INTRODUCED BY *Connelly* *HARP* *Lee* *Quinn*
 3 *Smith* *Peterson* *Martin* *R. Nelson* *Wm E. Schmidt*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE
 5 MONTANA MINT COMMITTEE UNDER THE ADMINISTRATION OF THE
 6 DEPARTMENT OF AGRICULTURE; PROVIDING FOR THE MAKEUP AND
 7 COMPENSATION OF THE MINT COMMITTEE; PROVIDING FOR AN
 8 INTEGRATED PEST MANAGEMENT PROGRAM FOR THE CONTROL AND
 9 MONITORING OF MINT DISEASES AND PESTS; ASSESSING MONTANA
 10 MINT GROWERS ON THE AMOUNT OF MINT OIL SOLD; ESTABLISHING
 11 THE MINT ACCOUNT IN THE SPECIAL REVENUE FUND; ESTABLISHING
 12 LICENSURE FOR MINT OIL PURCHASERS; PROVIDING PENALTIES;
 13 EXEMPTING THIS ACT FROM THE PROVISIONS OF THE SUNRISE LAW;
 14 AND PROVIDING AN EFFECTIVE DATE."

15
 16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 NEW SECTION. Section 1. Montana mint committee --
 18 composition -- allocation. (1) There is a Montana mint
 19 committee composed of five members. The members include the
 20 director of the department of agriculture and four members
 21 appointed by the governor.

22 (2) Each of the four appointed members must be a
 23 citizen of Montana who is actively involved in the growing
 24 of mint in this state. The qualifications of members must
 25 continue during their terms of office.

1 (3) A list of nominees for appointment must be
 2 submitted to the governor by Montana associations
 3 representing mint growers. Names of nominees must be
 4 submitted at least 91 days before the expiration of a
 5 committee member's term. The governor shall appoint members
 6 from among the persons nominated.

7 (4) Appointed members shall serve staggered terms of 3
 8 years. Initial appointment must be as follows:

9 (a) one member for a 1-year term;

10 (b) two members for 2-year terms; and

11 (c) one member for a 3-year term.

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

15 NEW SECTION. Section 2. Findings -- purpose. (1) The
 16 legislature finds that:

17 (a) It is in the best interest of the people of
 18 Montana that the abundant natural resources of the state be
 19 protected, fully developed, and uniformly distributed.

20 (b) Plant and pest diseases threaten the mint oil
 21 industry in Montana because of a lack of regulatory
 22 enforcement capability.

23 (c) It is in the interest of the people and to the
 24 benefit of the general welfare of the state that avoidable
 25 economic waste be eliminated as a result of mint growers

1 having at their disposal all available information on the
2 best and most advanced methods of culture, growing, and
3 harvesting mint and controlling mint diseases and pests.

4 (2) The purpose of this part is to promote the general
5 welfare of the people of Montana by:

6 (a) improving the culture and production of mint grown
7 in this state;

8 (b) developing and improving control measures for
9 diseases and pests that attack mint in order to maintain
10 disease-free Montana mint; and

11 (c) disseminating appropriate information to Montana
12 mint growers.

13 NEW SECTION. Section 3. Definitions. As used in this
14 part, the following definitions apply:

15 (1) "Committee" means the Montana mint committee
16 established in [section 1].

17 (2) "First purchaser" means a person, partnership,
18 association, cooperative, or other business unit or device
19 that first buys mint oil for subsequent sale or that acts as
20 a sales or purchasing agent, broker, or factor of mint. The
21 term includes a mortgagee, pledgee, lienor, or other person,
22 public or private, having a claim against a grower, where
23 the actual or constructive possession of mint oil is taken
24 as partial payment or in satisfaction of a mortgage, pledge,
25 lien, or claim.

1 (3) "Grower" means a landowner who is personally
2 engaged in growing mint, a tenant who is personally engaged
3 in growing mint, or both the landowner and tenant jointly,
4 and includes a person, partnership, association,
5 corporation, trust, sharecropper, or other business unit,
6 device, or arrangement that grows mint.

7 (4) "Sale" means any pledge or mortgage of mint oil to
8 any person, public or private.

9 NEW SECTION. Section 4. Powers of the committee. The
10 committee may:

11 (1) provide, through the department, for the
12 administration and enforcement of this part;

13 (2) enter into contracts, in the name of the
14 committee, to:

15 (a) improve the quality of mint;

16 (b) develop and improve control measures for diseases
17 and pests that attack mint;

18 (c) improve mint growing culture;

19 (d) disseminate appropriate information among mint
20 growers and dealers of the state; and

21 (e) carry out the purposes of this part;

22 (3) authorize the purchase of office equipment and
23 supplies and incur other reasonable and necessary expenses
24 and obligations required to carry out this part;

25 (4) become a member of and purchase membership in

1 trade organizations and subscribe to and purchase trade
2 bulletins, journals, and other trade publications;

3 (5) in cooperation with the director of the
4 department, establish and maintain the executive offices of
5 the committee at any place within the state, which location
6 may be changed at the discretion of the director and the
7 committee;

8 (6) adopt rules and orders for the exercise of its
9 power and the performance of its duties in accordance with
10 the Montana Administrative Procedure Act;

11 (7) cooperate with any local, state, or national
12 organization or agency, whether voluntary or created by the
13 law of any state or the United States, engaged in work or
14 activities similar to the work and activities of the
15 committee and enter into contracts with those organizations
16 or agencies for conducting joint campaigns of research,
17 education, disease control, product protection, and
18 reciprocal enforcement of objectives;

19 (8) accept grants, donations, and gifts from any
20 source for expenditure for any purpose consistent with this
21 part and spend the proceeds in compliance with the
22 conditions of the grants, donations, and gifts; and

23 (9) establish an integrated pest management program,
24 complete with field scouting services, as provided in
25 [section 7].

1 NEW SECTION. **Section 5. Compensation -- per diem.**

2 Each committee member is entitled to \$25 compensation for
3 each day he is engaged in the transaction of official
4 business, together with actual and necessary travel expenses
5 as provided for in 2-18-501 through 2-18-503.

6 NEW SECTION. **Section 6. Election of chairman -- time**

7 **of meetings.** At the first meeting of the committee, it shall
8 elect a chairman from among its members. The committee shall
9 meet at least once annually and at such other times as
10 called by the chairman or by any three members of the
11 committee.

12 NEW SECTION. **Section 7. Integrated pest management**
13 **program -- field inspection services.** (1) The purpose of the
14 integrated pest management program is to identify, as early
15 as possible, any potentially damaging diseases, weeds, or
16 pests that could inhibit the long-term future health of the
17 Montana mint industry.

18 (2) Noxious weed counts, mint plant and soil-borne
19 disease levels, and pest population levels must be provided
20 by the committee on a regular basis to each grower for his
21 individual farm.

22 (3) Two mandatory field inspections by a
23 committee-appointed consultant must be made annually. One
24 inspection must be before harvest in an attempt to identify
25 areas of verticillium wilt. One inspection must be after

1 harvest to identify nematode damage.

2 NEW SECTION. **Section 8.** Assessment on mint oil. (1)

3 There is levied on all mint oil produced in this state and
4 sold through normal commercial channels an assessment of not
5 less than 10 cents or more than 15 cents a pound. The
6 assessment is levied on each grower in the following manner:

7 (a) in the case of the sale of mint oil, the
8 assessment must be collected by the first purchaser from the
9 grower at the time of each settlement for mint oil
10 purchased; or

11 (b) in the case of a pledge or mortgage of mint oil as
12 security for a loan, the assessment must be collected by
13 deducting the amount of the assessment from the proceeds of
14 the loan at the time the loan is made by the agency or
15 person making the loan.

16 (2) The assessment must be deducted and collected
17 whether the mint oil is stored in this state or any other
18 state. The assessment is imposed on the initial sale,
19 pledge, mortgage, or other transaction in which a grower
20 parts with title to the mint oil or creates an interest in
21 the mint oil in a pledgee, mortgagee, or other person, but a
22 grower is not subject to assessment more than once
23 regardless of the number of times the oil is subject to a
24 sale, pledge, mortgage, or other transaction.

25 (3) The committee shall set the amount of the

1 assessment annually in accordance with subsection (1).

2 NEW SECTION. **Section 9.** Buyer's delivery of invoice

3 to grower -- form. The purchaser of mint oil at the time of
4 sale or the pledgee, mortgagee, or other lender at the time
5 of the loan or advance shall give a separate invoice for
6 each purchase to the grower. The invoice must be on forms
7 approved by the department and must contain:

8 (1) the name and address of the grower and seller;

9 (2) the name and address of the purchaser or the
10 lender;

11 (3) the number of pounds of mint oil sold, mortgaged,
12 or pledged;

13 (4) the date of purchase, mortgage, or pledge; and

14 (5) the amount of the assessment collected and
15 remitted to the department.

16 NEW SECTION. **Section 10.** Payment of assessment --

17 sworn statement. (1) The purchaser, mortgagor, or pledgee
18 shall file with the department, on forms prescribed by the
19 department, within 20 days after the end of a month in which
20 mint oil is purchased, a sworn statement of the number of
21 pounds of mint oil purchased in Montana or the number of
22 pounds of mint oil mortgaged, transferred, or otherwise
23 subject to a lien as security for a loan during the
24 preceding calendar month. At the time the statement is
25 filed, the purchaser or lender shall pay to the department

1 the assessment provided for in [section 8] for deposit in
2 the mint account in the other special revenue fund.

3 (2) The sworn statement referred to in subsection (1)
4 must be legible and free of corrections and alterations.

5 NEW SECTION. Section 11. Mint account -- sources --
6 use -- expenditures. (1) There is an account in the other
7 special revenue fund, known as the mint account. The
8 following must be placed in the account:

9 (a) the proceeds of all assessments collected under
10 this part; and

11 (b) the proceeds from all grants, gifts, or donations
12 to the committee for research authorized under this part.

13 (2) The account must be maintained for the purposes of
14 [sections 2 through 15] and is separate from all other
15 accounts of the department.

16 (3) The department may direct the board of investments
17 to invest funds from the account pursuant to the provisions
18 of the unified investment program for state funds. The
19 income from the investments must be credited to the mint
20 account.

21 NEW SECTION. Section 12. Records required. Every
22 first purchaser of mint oil shall maintain accurate records
23 of all mint oil handled, packed, shipped, or processed by
24 him. The records must be in the form and contain the
25 information the department may by rule prescribe. The

1 records must be preserved for 2 years and are subject to
2 inspection at any time upon request of the department or its
3 agents.

4 NEW SECTION. Section 13. Mint oil purchaser license
5 -- application -- fee. (1) Every person acting as a first
6 purchaser shall annually file a written application with the
7 committee for a license. The application must include:

8 (a) the applicant's name;

9 (b) the applicant's principal business addresses, both
10 within and outside Montana;

11 (c) the name of a person authorized to receive service
12 of summons and legal notices of all kinds for the applicant;
13 and

14 (d) any other information the committee may require.

15 (2) Each application must be accompanied by a license
16 fee of \$50. A license is valid for the calendar year in
17 which it is issued.

18 (3) A license must be issued if the committee is
19 satisfied that the applicant is of good character and
20 reputation and is financially responsible.

21 NEW SECTION. Section 14. Penalty for nonpayment of
22 assessment. Any grower or first purchaser of mint oil who
23 fails to make collection or pay an assessment within the
24 time required pursuant to this part is subject to a penalty
25 of 5% of the amount of the assessment determined to be due

1 as provided in this part, plus 1% of that amount for each
 2 month of delay, or fraction thereof, after the expiration of
 3 the month after the assessment became due. The penalty must
 4 be paid to the department and disposed of as provided in
 5 [section 11].

6 NEW SECTION. Section 15. Penalty. In addition to the
 7 penalty specified in [section 14], any person who violates
 8 or aids in the violation of any of the provisions of this
 9 part or any rules or orders of the department adopted under
 10 this part is punishable upon conviction by a fine not to
 11 exceed \$500. All fines collected must be deposited as
 12 provided in [section 11].

13 NEW SECTION. Section 16. Sunrise exemption. The
 14 provisions of Title 2, chapter 8, part 2, do not apply to
 15 [this act].

16 NEW SECTION. Section 17. Extension of authority. Any
 17 existing authority to make rules on the subject of the
 18 provisions of [this act] is extended to the provisions of
 19 [this act].

20 NEW SECTION. Section 18. Codification instruction.
 21 (1) [Section 1] is intended to be codified as an integral
 22 part of Title 2, chapter 15, part 30, and the provisions of
 23 Title 2, chapter 15, part 30, apply to [section 1].

24 (2) [Sections 2 through 15] are intended to be
 25 codified as an integral part of Title 80, chapter 11, and

1 the provisions of Title 80, chapter 11, apply to [sections 2
 2 through 15].

3 NEW SECTION. Section 19. Severability. If a part of
 4 [this act] is invalid, all valid parts that are severable
 5 from the invalid part remain in effect. If a part of [this
 6 act] is invalid in one or more of its applications, the part
 7 remains in effect in all valid applications that are
 8 severable from the invalid applications.

9 NEW SECTION. Section 20. Effective date. [This act]
 10 is effective July 1, 1989.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB360, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

HB360 would establish a Montana Mint Committee under the administration of the Department of Agriculture, including an integrated pest management program, assessing mint growers on the amount of mint oil sold, establishing licensure for mint oil purchasers and providing penalties.

ASSUMPTIONS:

1. There are 1,300 acres of mint grown in the state.
2. There are 100,000 pounds of mint oil produced annually and an assessment of \$0.10 per pound will be established to generate \$10,000 annually.
3. There are about five (5) buyers of mint oil and a license fee of \$50 would be established, generating \$250 each year.
4. The Dept. of Agriculture will manage regulatory and enforcement responsibilities through existing staff services.

FISCAL IMPACT:

	Current Law	FY90 Proposed Law	Difference	Current Law	FY91 Proposed Law	Difference
Dept. of Agriculture						
<u>Expenditures:</u>						
Personal Services	-0-	\$ 300	\$ 300	-0-	\$ 300	\$ 300
Operating Expenses	-0-	9,950	9,950	-0-	9,950	9,950
Total	-0-	\$10,250	\$10,250	-0-	\$10,250	\$10,250
<u>Funding:</u>						
State Special Revenue						
Mint Oil Assessment	-0-	\$10,000	\$10,000	-0-	\$10,000	\$10,000
Mint License Fees	-0-	250	250	-0-	250	252
Total	-0-	\$10,250	\$10,250	-0-	\$10,250	\$10,250

Ray Shackelford 1/31/89
 RAY SHACKLEFORD, BUDGET DIRECTOR DATE
 OFFICE OF BUDGET AND PROGRAM PLANNING

Mary Ellen Connelly
 MARY ELLEN CONNELLY, PRIMARY SPONSOR DATE

Fiscal Note for HB360, as introduced

HB 360

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

HOUSE BILL NO. 360

INTRODUCED BY CONNELLY, HARP, LEE, OWENS, SMITH, PETERSON,
MERCER, COHEN, R. NELSON, BOHARSKI, B. BROWN

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE
MONTANA MINT COMMITTEE UNDER THE ADMINISTRATION OF THE
DEPARTMENT OF AGRICULTURE; PROVIDING FOR THE MAKEUP AND
COMPENSATION OF THE MINT COMMITTEE; PROVIDING FOR AN
INTEGRATED PEST MANAGEMENT PROGRAM FOR THE CONTROL AND
MONITORING OF MINT DISEASES AND PESTS; ASSESSING MONTANA
MINT GROWERS ON THE AMOUNT OF MINT OIL SOLD; ESTABLISHING
THE MINT ACCOUNT IN THE SPECIAL REVENUE FUND; ESTABLISHING
LICENSURE FOR MINT OIL PURCHASERS; PROVIDING PENALTIES;
EXEMPTING THIS ACT FROM THE PROVISIONS OF THE SUNRISE LAW;
AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. **Section 1.** Montana mint committee --
composition -- allocation. (1) There is a Montana mint
committee composed of five members. The members include the
director of the department of agriculture and four members
appointed by the governor.

(2) Each of the four appointed members must be a
citizen of Montana who is actively involved in the growing
of mint in this state. The qualifications of members must

continue during their terms of office.

(3) A list of nominees for appointment must be
submitted to the governor by Montana associations
representing mint growers. Names of nominees must be
submitted at least 91 days before the expiration of a
committee member's term. The governor shall appoint members
from among the persons nominated.

(4) Appointed members shall serve staggered terms of 3
years. Initial appointment must be as follows:

(a) one member for a 1-year term;

(b) two members for 2-year terms; and

(c) one member for a 3-year term.

(5) The committee is allocated to the department of
agriculture for administrative purposes only as prescribed
in 2-15-121.

NEW SECTION. **Section 2.** Findings -- purpose. (1) The
legislature finds that:

(a) It is in the best interest of the people of
Montana that the abundant natural resources of the state be
protected, fully developed, and uniformly distributed.

(b) Plant and pest diseases threaten the mint oil
industry in Montana because of a lack of regulatory
enforcement capability.

(c) It is in the interest of the people and to the
benefit of the general welfare of the state that avoidable

1 economic waste be eliminated as a result of mint growers
2 having at their disposal all available information on the
3 best and most advanced methods of culture, growing, and
4 harvesting mint and controlling mint diseases and pests.

5 (2) The purpose of this part is to promote the general
6 welfare of the people of Montana by:

7 (a) improving the culture and production of mint grown
8 in this state;

9 (b) developing and improving control measures for
10 diseases and pests that attack mint in order to maintain
11 disease-free Montana mint; and

12 (c) disseminating appropriate information to Montana
13 mint growers.

14 **NEW SECTION. Section 3. Definitions.** As used in this
15 part, the following definitions apply:

16 (1) "Committee" means the Montana mint committee
17 established in [section 1].

18 (2) "First purchaser" means a person, partnership,
19 association, cooperative, or other business unit or device
20 that first buys mint oil for subsequent sale or that acts as
21 a sales or purchasing agent, broker, or factor of mint. The
22 term includes a mortgagee, pledgee, lienor, or other person,
23 public or private, having a claim against a grower, where
24 the actual or constructive possession of mint oil is taken
25 as partial payment or in satisfaction of a mortgage, pledge,

1 lien, or claim.

2 (3) "Grower" means a landowner who is personally
3 engaged in growing mint, a tenant who is personally engaged
4 in growing mint, or both the landowner and tenant jointly,
5 and includes a person, partnership, association,
6 corporation, trust, sharecropper, or other business unit,
7 device, or arrangement that grows mint.

8 (4) "Sale" means any pledge or mortgage of mint oil to
9 any person, public or private.

10 **NEW SECTION. Section 4. Powers of the committee.** The
11 committee may:

12 (1) ~~provide,---through---the---department,~~ for the
13 administration and enforcement of this part;

14 (2) enter into contracts, in the name of the
15 committee, to:

16 (a) improve the quality of mint;

17 (b) develop and improve control measures for diseases
18 and pests that attack mint;

19 (c) improve mint growing culture;

20 (d) disseminate appropriate information among mint
21 growers and dealers of the state; and

22 (e) carry out the purposes of this part;

23 (3) authorize the purchase of office equipment and
24 supplies and incur other reasonable and necessary expenses
25 and obligations required to carry out this part;

(4) become a member of and purchase membership in trade organizations and subscribe to and purchase trade bulletins, journals, and other trade publications;

~~{5}--in--cooperation---with---the---director---of---the department,--establish-and-maintain-the-executive-offices-of the-committee-at-any-place-within-the-state,--which--location may--be--changed--at--the-discretion-of-the-director-and-the committee;~~

{6}{5} adopt rules and orders for the exercise of its power and the performance of its duties in accordance with the Montana Administrative Procedure Act;

{7}{6} cooperate with any local, state, or national organization or agency, whether voluntary or created by the law of any state or the United States, engaged in work or activities similar to the work and activities of the committee and enter into contracts with those organizations or agencies for conducting joint campaigns of research, education, disease control, product protection, and reciprocal enforcement of objectives;

{8}{7} accept grants, donations, and gifts from any source for expenditure for any purpose consistent with this part and spend the proceeds in compliance with the conditions of the grants, donations, and gifts; and

{9}{8} establish an integrated pest management program, complete with field scouting services, as provided

in [section 7].

NEW SECTION. **Section 5. Compensation -- per diem.**

Each committee member is entitled to \$25 compensation for each day he is engaged in the transaction of official business, together with actual and necessary travel expenses as provided for in 2-18-501 through 2-18-503.

NEW SECTION. **Section 6. Election of chairman -- time of meetings.** At the first meeting of the committee, it shall elect a chairman from among its members. The committee shall meet at least once annually and at such other times as called by the chairman or by any three members of the committee.

NEW SECTION. **Section 7. Integrated pest management program -- field inspection services.** (1) The purpose of the integrated pest management program is to identify, as early as possible, any potentially damaging diseases, weeds, or pests that could inhibit the long-term future health of the Montana mint industry.

(2) Noxious weed counts, mint plant and soil-borne disease levels, and pest population levels must be provided by the committee on a regular basis to each grower for his individual farm.

(3) Two mandatory field inspections by a committee-appointed DEPARTMENT-APPOINTED consultant must be made annually. One inspection must be before harvest in an

1 attempt to identify areas of verticillium wilt. One
2 inspection must be after harvest to identify nematode
3 damage.

4 NEW SECTION. **Section 8. Assessment on mint oil.** (1)

5 There is levied on all mint oil produced in this state and
6 sold through normal commercial channels an assessment of not
7 less than 10 cents or more than 15 cents a pound. The
8 assessment is levied on each grower in the following manner:

9 (a) in the case of the sale of mint oil, the
10 assessment must be collected by the first purchaser from the
11 grower at the time of each settlement for mint oil
12 purchased; or

13 (b) in the case of a pledge or mortgage of mint oil as
14 security for a loan, the assessment must be collected by
15 deducting the amount of the assessment from the proceeds of
16 the loan at the time the loan is made by the agency or
17 person making the loan.

18 (2) The assessment must be deducted and collected
19 whether the mint oil is stored in this state or any other
20 state. The assessment is imposed on the initial sale,
21 pledge, mortgage, or other transaction in which a grower
22 parts with title to the mint oil or creates an interest in
23 the mint oil in a pledgee, mortgagee, or other person, but a
24 grower is not subject to assessment more than once
25 regardless of the number of times the oil is subject to a

1 sale, pledge, mortgage, or other transaction.

2 (3) The committee shall BY RULE set the amount of the
3 assessment annually in accordance with subsection (1).

4 NEW SECTION. **Section 9. Buyer's delivery of invoice**
5 **to grower -- form.** The purchaser of mint oil at the time of
6 sale or the pledgee, mortgagee, or other lender at the time
7 of the loan or advance shall give a separate invoice for
8 each purchase to the grower. The invoice must be on forms
9 approved by the department COMMITTEE and must contain:

10 (1) the name and address of the grower and seller;

11 (2) the name and address of the purchaser or the
12 lender;

13 (3) the number of pounds of mint oil sold, mortgaged,
14 or pledged;

15 (4) the date of purchase, mortgage, or pledge; and

16 (5) the amount of the assessment collected and
17 remitted to the department COMMITTEE.

18 NEW SECTION. **Section 10. Payment of assessment --**
19 **sworn statement.** (1) The purchaser, mortgagor, or pledgee
20 shall file with the department COMMITTEE, on forms
21 prescribed by the department COMMITTEE, within 20 days after
22 the end of a month in which mint oil is purchased, a sworn
23 statement of the number of pounds of mint oil purchased in
24 Montana or the number of pounds of mint oil mortgaged,
25 transferred, or otherwise subject to a lien as security for

a loan during the preceding calendar month. At the time the statement is filed, the purchaser or lender shall pay to the department COMMITTEE the assessment provided for in [section 8] for deposit in the mint account in the other STATE special revenue fund.

(2) The sworn statement referred to in subsection (1) must be legible and free of corrections and alterations.

NEW SECTION. Section 11. Mint account -- sources -- use -- expenditures. (1) There is an account in the other STATE special revenue fund, known as the mint account. The following must be placed in the account:

(a) the proceeds of all assessments collected under this part; and

(b) the proceeds from all grants, gifts, or donations to the committee for research authorized under this part.

(2) The account must be maintained for the purposes of [sections 2 through 15] and is separate from all other accounts of the department.

(3) The department COMMITTEE may direct the board of investments to invest funds from the account pursuant to the provisions of the unified investment program for state funds. The income from the investments must be credited to the mint account.

NEW SECTION. Section 12. Records required. Every first purchaser of mint oil shall maintain accurate records

of all mint oil handled, packed, shipped, or processed by him. The records must be in the form and contain the information the department COMMITTEE may by rule prescribe. The records must be preserved for 2 years and are subject to inspection at any time upon request of the department COMMITTEE or its agents.

NEW SECTION. Section 13. Mint oil purchaser license -- application -- fee. (1) Every person acting as a first purchaser shall annually file a written application with the committee for a license. The application must include:

(a) the applicant's name;

(b) the applicant's principal business addresses, both within and outside Montana;

(c) the name of a person authorized to receive service of summons and legal notices of all kinds for the applicant; and

(d) any other information the committee may require.

(2) Each application must be accompanied by a license fee of \$50. A license is valid for the calendar year in which it is issued.

(3) A license must be issued if the committee is satisfied that the applicant is of good character and reputation and is financially responsible.

NEW SECTION. Section 14. Penalty for nonpayment of assessment. Any grower or first purchaser of mint oil who

1 fails to make collection or pay an assessment within the
 2 time required pursuant to this part is subject to a penalty
 3 of 5% of the amount of the assessment determined to be due
 4 as provided in this part, plus 1% of that amount for each
 5 month of delay, or fraction thereof, after the expiration of
 6 the month after the assessment became due. The penalty must
 7 be paid to the department COMMITTEE and disposed of as
 8 provided in [section 11].

9 NEW SECTION. Section 15. Penalty. In addition to the
 10 penalty specified in [section 14], any person who violates
 11 or aids in the violation of any of the provisions of this
 12 part or any rules or orders of the department COMMITTEE
 13 adopted under this part is punishable upon conviction by a
 14 fine not to exceed \$500. All fines collected must be
 15 deposited as provided in [section 11].

16 NEW SECTION. Section 16. Sunrise exemption. The
 17 provisions of Title 2, chapter 8, part 2, do not apply to
 18 [this act].

19 NEW SECTION. Section 17. Extension of authority. Any
 20 existing authority to make rules on the subject of the
 21 provisions of [this act] is extended to the provisions of
 22 [this act].

23 NEW SECTION. Section 18. Codification instruction.
 24 (1) [Section 1] is intended to be codified as an integral
 25 part of Title 2, chapter 15, part 30, and the provisions of

1 Title 2, chapter 15, part 30, apply to [section 1].

2 (2) [Sections 2 through 15] are intended to be
 3 codified as an integral part of Title 80, chapter 11, and
 4 the provisions of Title 80, chapter 11, apply to [sections 2
 5 through 15].

6 NEW SECTION. Section 19. Severability. If a part of
 7 [this act] is invalid, all valid parts that are severable
 8 from the invalid part remain in effect. If a part of [this
 9 act] is invalid in one or more of its applications, the part
 10 remains in effect in all valid applications that are
 11 severable from the invalid applications.

12 NEW SECTION. Section 20. Effective date. [This act]
 13 is effective July 1, 1989.

-End-

HOUSE BILL NO. 360

INTRODUCED BY CONNELLY, HARP, LEE, OWENS, SMITH, PETERSON,
MERCER, COHEN, R. NELSON, BOHARSKI, B. BROWN

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE
MONTANA MINT COMMITTEE UNDER THE ADMINISTRATION OF THE
DEPARTMENT OF AGRICULTURE; PROVIDING FOR THE MAKEUP AND
COMPENSATION OF THE MINT COMMITTEE; PROVIDING FOR AN
INTEGRATED PEST MANAGEMENT PROGRAM FOR THE CONTROL AND
MONITORING OF MINT DISEASES AND PESTS; ASSESSING MONTANA
MINT GROWERS ON THE AMOUNT OF MINT OIL SOLD; ESTABLISHING
THE MINT ACCOUNT IN THE SPECIAL REVENUE FUND; ESTABLISHING
LICENSURE FOR MINT OIL PURCHASERS; PROVIDING PENALTIES;
EXEMPTING THIS ACT FROM THE PROVISIONS OF THE SUNRISE LAW;
AND PROVIDING AN EFFECTIVE DATE."

STATEMENT OF INTENT

A statement of intent is required because this bill
grants to the Montana mint committee the authority to adopt
rules to implement the provisions of the bill. At a minimum,
it is intended that the rules address:

(1) general rules and orders for the exercise of power
and performance of duties of the mint committee in
accordance with the Montana Administrative Procedure Act;

(2) implementation of the integrated pest management

program established in [section 7];

(3) the form of sworn statements and invoices required
of purchasers of mint oil;

(4) the manner of collection of assessments on mint
oil produced in Montana;

(5) recordkeeping and licensure required of mint oil
purchasers; and

(6) any other topics necessary for the proper
implementation of this bill.

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

NEW SECTION. **Section 1.** Montana mint committee --
composition -- allocation. (1) There is a Montana mint
committee composed of five members. The members include the
director of the department of agriculture and four members
appointed by the governor.

(2) Each of the four appointed members must be a
citizen of Montana who is actively involved in the growing
of mint in this state. The qualifications of members must
continue during their terms of office.

(3) A list of nominees for appointment must be
submitted to the governor by Montana associations
representing mint growers. Names of nominees must be
submitted at least 91 days before the expiration of a
committee member's term. The governor shall appoint members

from among the persons nominated.

(4) Appointed members shall serve staggered terms of 3 years. Initial appointment must be as follows:

(a) one member for a 1-year term;

(b) two members for 2-year terms; and

(c) one member for a 3-year term.

(5) The committee is allocated to the department of agriculture for administrative purposes only as prescribed in 2-15-121.

NEW SECTION. Section 2. Findings -- purpose. (1) The legislature finds that:

(a) It is in the best interest of the people of Montana that the abundant natural resources of the state be protected, fully developed, and uniformly distributed.

(b) Plant and pest diseases threaten the mint oil industry in Montana because of a lack of regulatory enforcement capability.

(c) It is in the interest of the people and to the benefit of the general welfare of the state that avoidable economic waste be eliminated as a result of mint growers having at their disposal all available information on the best and most advanced methods of culture, growing, and harvesting mint and controlling mint diseases and pests.

(2) The purpose of this part is to promote the general welfare of the people of Montana by:

(a) improving the culture and production of mint grown in this state;

(b) developing and improving control measures for diseases and pests that attack mint in order to maintain disease-free Montana mint; and

(c) disseminating appropriate information to Montana mint growers.

NEW SECTION. Section 3. Definitions. As used in this part, the following definitions apply:

(1) "Committee" means the Montana mint committee established in [section 1].

(2) "First purchaser" means a person, partnership, association, cooperative, or other business unit or device that first buys mint oil for subsequent sale or that acts as a sales or purchasing agent, broker, or factor of mint. The term includes a mortgagee, pledgee, lienor, or other person, public or private, having a claim against a grower, where the actual or constructive possession of mint oil is taken as partial payment or in satisfaction of a mortgage, pledge, lien, or claim.

(3) "Grower" means a landowner who is personally engaged in growing mint, a tenant who is personally engaged in growing mint, or both the landowner and tenant jointly, and includes a person, partnership, association, corporation, trust, sharecropper, or other business unit,

1 device, or arrangement that grows mint.

2 (4) "Sale" means any pledge or mortgage of mint oil to
3 any person, public or private.

4 NEW SECTION. Section 4. Powers of the committee. The
5 committee may:

6 (1) provide,---through---the---department, for the
7 administration and enforcement of this part;

8 (2) enter into contracts, in the name of the
9 committee, to:

10 (a) improve the quality of mint;

11 (b) develop and improve control measures for diseases
12 and pests that attack mint;

13 (c) improve mint growing culture;

14 (d) disseminate appropriate information among mint
15 growers and dealers of the state; and

16 (e) carry out the purposes of this part;

17 (3) authorize the purchase of office equipment and
18 supplies and incur other reasonable and necessary expenses
19 and obligations required to carry out this part;

20 (4) become a member of and purchase membership in
21 trade organizations and subscribe to and purchase trade
22 bulletins, journals, and other trade publications;

23 {5}---in--cooperation---with---the---director---of---the
24 department,--establish-and-maintain-the-executive-offices-of
25 the-committee-at-any-place-within-the-state,--which--location

1 may--be--changed--at--the-discretion-of-the-director-and-the
2 committee;

3 {6}{5} adopt rules and orders for the exercise of its
4 power and the performance of its duties in accordance with
5 the Montana Administrative Procedure Act;

6 {7}{6} cooperate with any local, state, or national
7 organization or agency, whether voluntary or created by the
8 law of any state or the United States, engaged in work or
9 activities similar to the work and activities of the
10 committee and enter into contracts with those organizations
11 or agencies for conducting joint campaigns of research,
12 education, disease control, product protection, and
13 reciprocal enforcement of objectives;

14 {8}{7} accept grants, donations, and gifts from any
15 source for expenditure for any purpose consistent with this
16 part and spend the proceeds in compliance with the
17 conditions of the grants, donations, and gifts; and

18 {9}{8} establish an integrated pest management
19 program, complete with field scouting services, as provided
20 in [section 7].

21 NEW SECTION. Section 5. Compensation -- per diem.
22 Each committee member is entitled to \$25 compensation for
23 each day he is engaged in the transaction of official
24 business, together with actual and necessary travel expenses
25 as provided for in 2-18-501 through 2-18-503.

NEW SECTION. Section 6. Election of chairman -- time of meetings. At the first meeting of the committee, it shall elect a chairman from among its members. The committee shall meet at least once annually and at such other times as called by the chairman or by any three members of the committee.

NEW SECTION. Section 7. Integrated pest management program -- field inspection services. (1) The purpose of the integrated pest management program is to identify, as early as possible, any potentially damaging diseases, weeds, or pests that could inhibit the long-term future health of the Montana mint industry.

(2) Noxious weed counts, mint plant and soil-borne disease levels, and pest population levels must be provided by the committee on a regular basis to each grower for his individual farm.

(3) Two mandatory field inspections by a committee-appointed DEPARTMENT-APPOINTED consultant must be made annually. One inspection must be before harvest in an attempt to identify areas of verticillium wilt. One inspection must be after harvest to identify nematode damage.

NEW SECTION. Section 8. Assessment on mint oil. (1) There is levied on all mint oil produced in this state and sold through normal commercial channels an assessment of not

less than 10 cents or more than 15 cents a pound. The assessment is levied on each grower in the following manner:

(a) in the case of the sale of mint oil, the assessment must be collected by the first purchaser from the grower at the time of each settlement for mint oil purchased; or

(b) in the case of a pledge or mortgage of mint oil as security for a loan, the assessment must be collected by deducting the amount of the assessment from the proceeds of the loan at the time the loan is made by the agency or person making the loan.

(2) The assessment must be deducted and collected whether the mint oil is stored in this state or any other state. The assessment is imposed on the initial sale, pledge, mortgage, or other transaction in which a grower parts with title to the mint oil or creates an interest in the mint oil in a pledgee, mortgagee, or other person, but a grower is not subject to assessment more than once regardless of the number of times the oil is subject to a sale, pledge, mortgage, or other transaction.

(3) The committee shall BY RULE set the amount of the assessment annually in accordance with subsection (1).

NEW SECTION. Section 9. Buyer's delivery of invoice to grower -- form. The purchaser of mint oil at the time of sale or the pledgee, mortgagee, or other lender at the time

1 of the loan or advance shall give a separate invoice for
2 each purchase to the grower. The invoice must be on forms
3 approved by the department COMMITTEE and must contain:

- 4 (1) the name and address of the grower and seller;
- 5 (2) the name and address of the purchaser or the
6 lender;
- 7 (3) the number of pounds of mint oil sold, mortgaged,
8 or pledged;
- 9 (4) the date of purchase, mortgage, or pledge; and
- 10 (5) the amount of the assessment collected and
11 remitted to the department COMMITTEE.

12 NEW SECTION. Section 10. Payment of assessment --
13 sworn statement. (1) The purchaser, mortgagor, or pledgee
14 shall file with the department COMMITTEE, on forms
15 prescribed by the department COMMITTEE, within 20 days after
16 the end of a month in which mint oil is purchased, a sworn
17 statement of the number of pounds of mint oil purchased in
18 Montana or the number of pounds of mint oil mortgaged,
19 transferred, or otherwise subject to a lien as security for
20 a loan during the preceding calendar month. At the time the
21 statement is filed, the purchaser or lender shall pay to the
22 department COMMITTEE the assessment provided for in [section
23 8] for deposit in the mint account in the other STATE
24 special revenue fund.

25 (2) The sworn statement referred to in subsection (1)

1 must be legible and free of corrections and alterations.

2 NEW SECTION. Section 11. Mint account -- sources --
3 use -- expenditures. (1) There is an account in the other
4 STATE special revenue fund, known as the mint account. The
5 following must be placed in the account:

6 (a) the proceeds of all assessments collected under
7 this part; and

8 (b) the proceeds from all grants, gifts, or donations
9 to the committee for research authorized under this part.

10 (2) The account must be maintained for the purposes of
11 [sections 2 through 15] and is separate from all other
12 accounts of the department.

13 (3) The department COMMITTEE may direct the board of
14 investments to invest funds from the account pursuant to the
15 provisions of the unified investment program for state
16 funds. The income from the investments must be credited to
17 the mint account.

18 NEW SECTION. Section 12. Records required. Every
19 first purchaser of mint oil shall maintain accurate records
20 of all mint oil handled, packed, shipped, or processed by
21 him. The records must be in the form and contain the
22 information the department COMMITTEE may by rule prescribe.
23 The records must be preserved for 2 years and are subject to
24 inspection at any time upon request of the department
25 COMMITTEE or its agents.

1 NEW SECTION. Section 13. Mint oil purchaser license
 2 -- application -- fee. (1) Every person acting as a first
 3 purchaser shall annually file a written application with the
 4 committee for a license. The application must include:
 5 (a) the applicant's name;
 6 (b) the applicant's principal business addresses, both
 7 within and outside Montana;
 8 (c) the name of a person authorized to receive service
 9 of summons and legal notices of all kinds for the applicant;
 10 and
 11 (d) any other information the committee may require.
 12 (2) Each application must be accompanied by a license
 13 fee of \$50. A license is valid for the calendar year in
 14 which it is issued.
 15 (3) A license must be issued if the committee is
 16 satisfied that the applicant is of good character and
 17 reputation and is financially responsible.
 18 NEW SECTION. Section 14. Penalty for nonpayment of
 19 assessment. Any grower or first purchaser of mint oil who
 20 fails to make collection or pay an assessment within the
 21 time required pursuant to this part is subject to a penalty
 22 of 5% of the amount of the assessment determined to be due
 23 as provided in this part, plus 1% of that amount for each
 24 month of delay, or fraction thereof, after the expiration of
 25 the month after the assessment became due. The penalty must

1 be paid to the department COMMITTEE and disposed of as
 2 provided in [section 11].
 3 NEW SECTION. Section 15. Penalty. In addition to the
 4 penalty specified in [section 14], any person who violates
 5 or aids in the violation of any of the provisions of this
 6 part or any rules or orders of the department COMMITTEE
 7 adopted under this part is punishable upon conviction by a
 8 fine not to exceed \$500. All fines collected must be
 9 deposited as provided in [section 11].
 10 NEW SECTION. Section 16. Sunrise exemption. The
 11 provisions of Title 2, chapter 8, part 2, do not apply to
 12 [this act].
 13 NEW SECTION. Section 17. Extension of authority. Any
 14 existing authority to make rules on the subject of the
 15 provisions of [this act] is extended to the provisions of
 16 [this act].
 17 NEW SECTION. Section 18. Codification instruction.
 18 (1) [Section 1] is intended to be codified as an integral
 19 part of Title 2, chapter 15, part 30, and the provisions of
 20 Title 2, chapter 15, part 30, apply to [section 1].
 21 (2) [Sections 2 through 15] are intended to be
 22 codified as an integral part of Title 80, chapter 11, and
 23 the provisions of Title 80, chapter 11, apply to [sections 2
 24 through 15].
 25 NEW SECTION. Section 19. Severability. If a part of

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

6 NEW SECTION. **Section 20.** Effective date. [This act]
7 is effective July 1, 1989.

-End-

1 HOUSE BILL NO. 360

2 INTRODUCED BY CONNELLY, HARP, LEE, OWENS, SMITH, PETERSON,
3 MERCER, COHEN, R. NELSON, BOHARSKI, B. BROWN
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE
6 MONTANA MINT COMMITTEE UNDER THE ADMINISTRATION OF THE
7 DEPARTMENT OF AGRICULTURE; PROVIDING FOR THE MAKEUP AND
8 COMPENSATION OF THE MINT COMMITTEE; PROVIDING FOR AN
9 INTEGRATED PEST MANAGEMENT PROGRAM FOR THE CONTROL AND
10 MONITORING OF MINT DISEASES AND PESTS; ASSESSING MONTANA
11 MINT GROWERS ON THE AMOUNT OF MINT OIL SOLD; ESTABLISHING
12 THE MINT ACCOUNT IN THE SPECIAL REVENUE FUND; ESTABLISHING
13 LICENSURE FOR MINT OIL PURCHASERS; PROVIDING PENALTIES;
14 EXEMPTING THIS ACT FROM THE PROVISIONS OF THE SUNRISE LAW;
15 AND PROVIDING AN EFFECTIVE DATE."
16

17 STATEMENT OF INTENT

18 A statement of intent is required because this bill
19 grants to the Montana mint committee the authority to adopt
20 rules to implement the provisions of the bill. At a minimum,
21 it is intended that the rules address:

22 (1) general rules and orders for the exercise of power
23 and performance of duties of the mint committee in
24 accordance with the Montana Administrative Procedure Act;

25 (2) implementation of the integrated pest management

1 program established in [section 7];

2 (3) the form of sworn statements and invoices required
3 of purchasers of mint oil;

4 (4) the manner of collection of assessments on mint
5 oil produced in Montana;

6 (5) recordkeeping and licensure required of mint oil
7 purchasers; and

8 (6) any other topics necessary for the proper
9 implementation of this bill.
10

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

12 NEW SECTION. Section 1. Montana mint committee --
13 composition -- allocation. (1) There is a Montana mint
14 committee composed of five members. The members include the
15 director of the department of agriculture and four members
16 appointed by the governor.

17 (2) Each of the four appointed members must be a
18 citizen of Montana who is actively involved in the growing
19 of mint in this state. The qualifications of members must
20 continue during their terms of office.

21 (3) A list of nominees for appointment must be
22 submitted to the governor by Montana associations
23 representing mint growers. Names of nominees must be
24 submitted at least 91 days before the expiration of a
25 committee member's term. The governor shall appoint members

1 from among the persons nominated.

2 (4) Appointed members shall serve staggered terms of 3
3 years. Initial appointment must be as follows:

4 (a) one member for a 1-year term;

5 (b) two members for 2-year terms; and

6 (c) one member for a 3-year term.

7 (5) The committee is allocated to the department of
8 agriculture for administrative purposes only as prescribed
9 in 2-15-121.

10 NEW SECTION. **Section 2. Findings -- purpose.** (1) The
11 legislature finds that:

12 (a) It is in the best interest of the people of
13 Montana that the abundant natural resources of the state be
14 protected, fully developed, and uniformly distributed.

15 (b) Plant and pest diseases threaten the mint oil
16 industry in Montana because of a lack of regulatory
17 enforcement capability.

18 (c) It is in the interest of the people and to the
19 benefit of the general welfare of the state that avoidable
20 economic waste be eliminated as a result of mint growers
21 having at their disposal all available information on the
22 best and most advanced methods of culture, growing, and
23 harvesting mint and controlling mint diseases and pests.

24 (2) The purpose of this part is to promote the general
25 welfare of the people of Montana by:

1 (a) improving the culture and production of mint grown
2 in this state;

3 (b) developing and improving control measures for
4 diseases and pests that attack mint in order to maintain
5 disease-free Montana mint; and

6 (c) disseminating appropriate information to Montana
7 mint growers.

8 NEW SECTION. **Section 3. Definitions.** As used in this
9 part, the following definitions apply:

10 (1) "Committee" means the Montana mint committee
11 established in [section 1].

12 (2) "First purchaser" means a person, partnership,
13 association, cooperative, or other business unit or device
14 that first buys mint oil for subsequent sale or that acts as
15 a sales or purchasing agent, broker, or factor of mint. The
16 term includes a mortgagee, pledgee, lienor, or other person,
17 public or private, having a claim against a grower, where
18 the actual or constructive possession of mint oil is taken
19 as partial payment or in satisfaction of a mortgage, pledge,
20 lien, or claim.

21 (3) "Grower" means a landowner who is personally
22 engaged in growing mint, a tenant who is personally engaged
23 in growing mint, or both the landowner and tenant jointly,
24 and includes a person, partnership, association,
25 corporation, trust, sharecropper, or other business unit,

1 device, or arrangement that grows mint.

2 (4) "Sale" means any pledge or mortgage of mint oil to
3 any person, public or private.

4 NEW SECTION. Section 4. Powers of the committee. The
5 committee may:

6 (1) provide,---through---the---department, for the
7 administration and enforcement of this part;

8 (2) enter into contracts, in the name of the
9 committee, to:

10 (a) improve the quality of mint;

11 (b) develop and improve control measures for diseases
12 and pests that attack mint;

13 (c) improve mint growing culture;

14 (d) disseminate appropriate information among mint
15 growers and dealers of the state; and

16 (e) carry out the purposes of this part;

17 (3) authorize the purchase of office equipment and
18 supplies and incur other reasonable and necessary expenses
19 and obligations required to carry out this part;

20 (4) become a member of and purchase membership in
21 trade organizations and subscribe to and purchase trade
22 bulletins, journals, and other trade publications;

23 {5}---in---cooperation---with---the---director---of---the
24 department,---establish-and-maintain-the-executive-offices-of
25 the-committee-at-any-place-within-the-state,which--location

1 may--be--changed--at--the-discretion-of-the-director-and-the
2 committee;

3 {6}{5} adopt rules and orders for the exercise of its
4 power and the performance of its duties in accordance with
5 the Montana Administrative Procedure Act;

6 {7}{6} cooperate with any local, state, or national
7 organization or agency, whether voluntary or created by the
8 law of any state or the United States, engaged in work or
9 activities similar to the work and activities of the
10 committee and enter into contracts with those organizations
11 or agencies for conducting joint campaigns of research,
12 education, disease control, product protection, and
13 reciprocal enforcement of objectives;

14 {8}{7} accept grants, donations, and gifts from any
15 source for expenditure for any purpose consistent with this
16 part and spend the proceeds in compliance with the
17 conditions of the grants, donations, and gifts; and

18 {9}{8} establish an integrated pest management
19 program, complete with field scouting services, as provided
20 in [section 7].

21 NEW SECTION. Section 5. Compensation -- per diem.
22 Each committee member is entitled to \$25 compensation for
23 each day he is engaged in the transaction of official
24 business, together with actual and necessary travel expenses
25 as provided for in 2-18-501 through 2-18-503.

1 NEW SECTION. Section 6. Election of chairman -- time
 2 of meetings. At the first meeting of the committee, it shall
 3 elect a chairman from among its members. The committee shall
 4 meet at least once annually and at such other times as
 5 called by the chairman or by any three members of the
 6 committee.

7 NEW SECTION. Section 7. Integrated pest management
 8 program -- field inspection services. (1) The purpose of the
 9 integrated pest management program is to identify, as early
 10 as possible, any potentially damaging diseases, weeds, or
 11 pests that could inhibit the long-term future health of the
 12 Montana mint industry.

13 (2) Noxious weed counts, mint plant and soil-borne
 14 disease levels, and pest population levels must be provided
 15 by the committee on a regular basis to each grower for his
 16 individual farm.

17 (3) Two mandatory field inspections by a
 18 committee-appointed DEPARTMENT-APPOINTED consultant must be
 19 made annually. One inspection must be before harvest in an
 20 attempt to identify areas of verticillium wilt. One
 21 inspection must be after harvest to identify nematode
 22 damage.

23 NEW SECTION. Section 8. Assessment on mint oil. (1)
 24 There is levied on all mint oil produced in this state and
 25 sold through normal commercial channels an assessment of not

1 less than 10 cents or more than 15 cents a pound. The
 2 assessment is levied on each grower in the following manner:

3 (a) in the case of the sale of mint oil, the
 4 assessment must be collected by the first purchaser from the
 5 grower at the time of each settlement for mint oil
 6 purchased; or

7 (b) in the case of a pledge or mortgage of mint oil as
 8 security for a loan, the assessment must be collected by
 9 deducting the amount of the assessment from the proceeds of
 10 the loan at the time the loan is made by the agency or
 11 person making the loan.

12 (2) The assessment must be deducted and collected
 13 whether the mint oil is stored in this state or any other
 14 state. The assessment is imposed on the initial sale,
 15 pledge, mortgage, or other transaction in which a grower
 16 parts with title to the mint oil or creates an interest in
 17 the mint oil in a pledgee, mortgagee, or other person, but a
 18 grower is not subject to assessment more than once
 19 regardless of the number of times the oil is subject to a
 20 sale, pledge, mortgage, or other transaction.

21 (3) The committee shall BY RULE set the amount of the
 22 assessment annually in accordance with subsection (1).

23 NEW SECTION. Section 9. Buyer's delivery of invoice
 24 to grower -- form. The purchaser of mint oil at the time of
 25 sale or the pledgee, mortgagee, or other lender at the time

of the loan or advance shall give a separate invoice for each purchase to the grower. The invoice must be on forms approved by the department COMMITTEE and must contain:

(1) the name and address of the grower and seller;

(2) the name and address of the purchaser or the lender;

(3) the number of pounds of mint oil sold, mortgaged, or pledged;

(4) the date of purchase, mortgage, or pledge; and

(5) the amount of the assessment collected and remitted to the department COMMITTEE.

NEW SECTION. Section 10. Payment of assessment --

sworn statement. (1) The purchaser, mortgagor, or pledgee shall file with the department COMMITTEE, on forms prescribed by the department COMMITTEE, within 20 days after the end of a month in which mint oil is purchased, a sworn statement of the number of pounds of mint oil purchased in Montana or the number of pounds of mint oil mortgaged, transferred, or otherwise subject to a lien as security for a loan during the preceding calendar month. At the time the statement is filed, the purchaser or lender shall pay to the department COMMITTEE the assessment provided for in [section 8] for deposit in the mint account in the other STATE special revenue fund.

(2) The sworn statement referred to in subsection (1)

must be legible and free of corrections and alterations.

NEW SECTION. Section 11. Mint account -- sources --

use -- expenditures. (1) There is an account in the other STATE special revenue fund, known as the mint account. The following must be placed in the account:

(a) the proceeds of all assessments collected under this part; and

(b) the proceeds from all grants, gifts, or donations to the committee for research authorized under this part.

(2) The account must be maintained for the purposes of [sections 2 through 15] and is separate from all other accounts of the department.

(3) The department COMMITTEE may direct the board of investments to invest funds from the account pursuant to the provisions of the unified investment program for state funds. The income from the investments must be credited to the mint account.

NEW SECTION. Section 12. Records required. Every

first purchaser of mint oil shall maintain accurate records of all mint oil handled, packed, shipped, or processed by him. The records must be in the form and contain the information the department COMMITTEE may by rule prescribe. The records must be preserved for 2 years and are subject to inspection at any time upon request of the department COMMITTEE or its agents.

NEW SECTION. Section 13. Mint oil purchaser license

-- application -- fee. (1) Every person acting as a first purchaser shall annually file a written application with the committee for a license. The application must include:

(a) the applicant's name;

(b) the applicant's principal business addresses, both within and outside Montana;

(c) the name of a person authorized to receive service of summons and legal notices of all kinds for the applicant; and

(d) any other information the committee may require.

(2) Each application must be accompanied by a license fee of \$50. A license is valid for the calendar year in which it is issued.

(3) A license must be issued if the committee is satisfied that the applicant is of good character and reputation and is financially responsible.

NEW SECTION. Section 14. Penalty for nonpayment of assessment. Any grower or first purchaser of mint oil who fails to make collection or pay an assessment within the time required pursuant to this part is subject to a penalty of 5% of the amount of the assessment determined to be due as provided in this part, plus 1% of that amount for each month of delay, or fraction thereof, after the expiration of the month after the assessment became due. The penalty must

be paid to the department COMMITTEE and disposed of as provided in [section 11].

NEW SECTION. Section 15. Penalty. In addition to the penalty specified in [section 14], any person who violates or aids in the violation of any of the provisions of this part or any rules or orders of the department COMMITTEE adopted under this part is punishable upon conviction by a fine not to exceed \$500. All fines collected must be deposited as provided in [section 11].

NEW SECTION. Section 16. Sunrise exemption. The provisions of Title 2, chapter 8, part 2, do not apply to [this act].

NEW SECTION. Section 17. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].

NEW SECTION. Section 18. Codification instruction. (1) [Section 1] is intended to be codified as an integral part of Title 2, chapter 15, part 30, and the provisions of Title 2, chapter 15, part 30, apply to [section 1].

(2) [Sections 2 through 15] are intended to be codified as an integral part of Title 80, chapter 11, and the provisions of Title 80, chapter 11, apply to [sections 2 through 15].

NEW SECTION. Section 19. Severability. If a part of

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

6 NEW SECTION. **Section 20.** Effective date. [This act]
7 is effective July 1, 1989.

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