

HOUSE BILL NO. 516

INTRODUCED BY DEBRUYCKER, DEVLIN, KOEHNKE, BECK, MASON,
HIBBARD, HALLIGAN, REA

IN THE HOUSE

FEBRUARY 8, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION. FIRST READING.
FEBRUARY 17, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 18, 1993	PRINTING REPORT.
FEBRUARY 19, 1993	SECOND READING, DO PASS.
FEBRUARY 20, 1993	ENGROSSING REPORT.
FEBRUARY 22, 1993	THIRD READING, PASSED. AYES, 86; NOES, 13.
FEBRUARY 23, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 1, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION. FIRST READING.
MARCH 11, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 12, 1993	ON MOTION, REREFERRED TO COMMITTEE ON TAXATION.
APRIL 3, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
APRIL 12, 1993	SECOND READING, CONCURRED IN AS AMENDED.
APRIL 13, 1993	THIRD READING, CONCURRED IN. AYES, 34; NOES, 15. RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 15, 1993

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 16, 1993

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INTRODUCED BY *House* BILL NO. *516*
Jeffrey S. Gustafson
Beck Mason *Richard H. Hildebrand* *Steve*

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING AN ASSESSMENT ON CLASS I MILK TO FUND MILK INSPECTION AND DAIRY RESEARCH; AMENDING SECTION 81-23-202, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

NEW SECTION. Section 1. Dairy extension program. (1)

There is established as a part of the cooperative extension service at Montana state university the dairy extension program. The purpose of the program is to provide dairy extension and dairy herd improvement services to dairy producers in Montana.

(2) The dairy extension program is under the general direction of the director of the cooperative extension service, who shall appoint a committee of dairy producers to advise the director in the provision of the services described in subsection (1).

(3) The dairy extension program is funded by money deposited in the state special revenue account provided for in 81-23-202(6) and by dairy herd improvement association dues.

Section 2. Section 81-23-202, MCA, is amended to read:

1 "81-23-202. Licenses -- disposition of income. (1) A
2 producer, producer-distributor, distributor, or jobber may
3 not engage in the business of producing or selling milk
4 subject to this chapter in this state without first having
5 obtained a license from the department of livestock or, in
6 the case of milk entering this state from another state or
7 foreign nation, without complying with the requirements of
8 the Montana Food, Drug, and Cosmetic Act and without being
9 licensed under this chapter by the department. The annual
10 fee for the license from the department is \$2 and is due
11 before July 1 and shall must be deposited by the department
12 to the credit of the general fund. The license required by
13 this chapter is in addition to any other license required by
14 state law or any municipality of this state. This chapter
15 ~~shall apply~~ applies to every part of the state of Montana.

16 (2) In addition to the annual license fee, the
17 department shall, in each year, before April 1, for the
18 purpose of securing funds to administer and enforce this
19 chapter, levy an assessment upon producers,
20 producer-distributors, and distributors as follows:

21 (a) a fee per hundredweight on the total volume of all
22 milk subject to this chapter produced and sold by a
23 producer-distributor;

24 (b) a fee per hundredweight on the total volume of all
25 milk subject to this chapter sold by a producer;

(c) a fee per hundredweight on the total volume of all milk subject to this chapter sold by a distributor, excepting that which is sold to another distributor.

(3) The department shall adopt rules fixing the amount of each fee. The amounts may not exceed levels sufficient to provide for the administration of this chapter. The fee assessed on a producer or on a distributor may not be more than one-half the fee assessed on a producer-distributor.

(4) In addition to the fees established in subsections (1) through (3), the department shall assess a fee of 18.46 cents per hundredweight on the volume of class I milk produced and sold by a producer to be used for the administration of the milk inspection and milk diagnostic laboratory functions of the department and the dairy extension and dairy herd improvement functions at Montana state university. The board shall include this fee in its formulas for fixing by rule the minimum producer, wholesale, jobber, and retail prices for class I milk in 81-23-302.

(5) The assessment assessments upon producer-distributors, producers, and distributors shall must be paid quarterly before January 15, April 15, July 15, and October 15 of each year. The amount of the assessment assessments shall must be computed by applying the fee designated by the department and the fee established in subsection (4) to the volume of milk sold in the preceding

calendar quarter.

(6) Failure of a producer, producer-distributor, or distributor to pay an assessment when due is a violation of this chapter, and his a license under this chapter automatically terminates and is void. A terminated license so--terminated--shall must be reinstated by the department upon payment of a delinquency fee equal to 30% of the assessment which was due.

(7) All Except for the assessment provided for in subsection (4), all assessments required by this chapter shall must be deposited by the department in the state special revenue fund. All costs of administering this chapter, including the salaries of employees and assistants, per diem and expenses of board members, and all other disbursements necessary to carry out the purpose of this chapter, shall must be paid out of the board control--board moneys money in that fund.

(8) The assessment provided for in subsection (4) must be deposited by the department in an account in the state special revenue fund. Money in the account must be used to carry out the purposes of Title 81, chapter 22, and to fund the state's portion of the dairy extension and dairy herd improvement services provided for in [section 1].

(9) The department may, if it finds the costs of administering and enforcing this chapter can be derived from

1 lower rates, amend its rules to fix the rates at a less
2 amount on or before April 1 in any year."

3 NEW SECTION. **Section 3.** Codification instruction.
4 [Section 1] is intended to be codified as an integral part
5 of Title 20, chapter 25, part 2, and the provisions of Title
6 20, chapter 25, part 2, apply to [section 1].

7 NEW SECTION. **Section 4.** Effective date --
8 applicability. [This act] is effective July 1, 1993. Payment
9 of the assessment in [section 2] begins with the quarterly
10 payment due on October 15, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0516, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: The bill imposes an assessment on Class I milk to fund milk inspection and dairy research.

ASSUMPTIONS:

1. The Milk Control Bureau of the Department of Commerce will be able to collect the proposed assessments with its current assessment collection process and will not need additional staffing.
2. There will be 200,557,734 pounds of Class I milk produced per year, on which the assessment will be based.
3. The collected assessment will be deposited in a state special revenue fund account for use in the milk inspection program, diagnostic laboratory, and the centralized services of the Department of Livestock and the new dairy extension and herd improvement functions at Montana State University Cooperative Extension Service. Therefore, the assessments will be a pass through arrangement on the part of the Department of Commerce. The assessments will be replacing current general fund revenue supporting Department of Livestock programs.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
Milk Control Bureau - Commerce	270,835	270,835	0	271,782	271,782	0
Milk Inspection - Livestock	187,551	187,551	0	189,069	189,069	0
Diagnostic Lab. - Livestock	85,000	85,000	0	85,000	85,000	0
Centralized Services - Livestock	27,695	27,695	0	27,695	27,695	0
Montana State University	<u>0</u>	<u>70,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>	<u>70,000</u>
Total	571,081	641,081	70,000	573,546	643,546	70,000
<u>Revenues:</u>						
General Fund	300,246	0	(300,246)	301,764	0	(301,764)
State Special Revenue	<u>327,923</u>	<u>698,153</u>	<u>370,230</u>	<u>327,923</u>	<u>698,153</u>	<u>370,230</u>
Total	628,169	698,153	69,984	629,687	698,153	68,466
<u>Net Impact:</u>						
General Fund	0	0	0	0	0	0
State Special Revenue	57,088	57,072	(16)	56,141	54,607	(1,534)

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION: Reduce general fund by \$370,230 each year and increase state special by a like amount.

David Lewis 2-13-93
 DAVID LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Roger DeBruycker 2-15-93
 ROGER DEBRUYCKER, PRIMARY SPONSOR DATE

Fiscal Note for HB0516, as introduced

HB 516

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
AND IRRIGATION

HOUSE BILL NO. 516

INTRODUCED BY DEBRUYCKER, DEVLIN, KOEHNKE, BECK, MASON,
HIBBARD, HALLIGAN, REA

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING AN ASSESSMENT
ON CLASS I MILK TO FUND MILK INSPECTION AND DAIRY RESEARCH;
AMENDING SECTION 81-23-202, MCA; AND PROVIDING AN EFFECTIVE
DATE AND AN APPLICABILITY DATE."

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

NEW SECTION. Section 1. Dairy extension program. (1)

There is established as a part of the cooperative extension
service at Montana state university the dairy extension
program. The purpose of the program is to provide dairy
extension and dairy herd improvement services to dairy
producers in Montana.

(2) The dairy extension program is under the general
direction of the director of the cooperative extension
service, who shall appoint a committee of dairy producers to
advise the director in the provision of the services
described in subsection (1).

(3) The dairy extension program is funded by money
deposited in the state special revenue account provided for
in 81-23-202(6) and by dairy herd improvement association
dues.

Section 2. Section 81-23-202, MCA, is amended to read:

"81-23-202. Licenses -- disposition of income. (1) A
producer, producer-distributor, distributor, or jobber may
not engage in the business of producing or selling milk
subject to this chapter in this state without first having
obtained a license from the department of livestock or, in
the case of milk entering this state from another state or
foreign nation, without complying with the requirements of
the Montana Food, Drug, and Cosmetic Act and without being
licensed under this chapter by the department. The annual
fee for the license from the department is \$2 and is due
before July 1 and ~~shall~~ must be deposited by the department
to the credit of the general fund. The license required by
this chapter is in addition to any other license required by
state law or any municipality of this state. This chapter
~~shall-apply~~ applies to every part of the state of Montana.

(2) In addition to the annual license fee, the
department shall, in each year, before April 1, for the
purpose of securing funds to administer and enforce this
chapter, levy an assessment upon producers,
producer-distributors, and distributors as follows:

(a) a fee per hundredweight on the total volume of all
milk subject to this chapter produced and sold by a
producer-distributor;

(b) a fee per hundredweight on the total volume of all

1 milk subject to this chapter sold by a producer;

2 (c) a fee per hundredweight on the total volume of all
3 milk subject to this chapter sold by a distributor,
4 excepting that which is sold to another distributor.

5 (3) The department shall adopt rules fixing the amount
6 of each fee. The amounts may not exceed levels sufficient to
7 provide for the administration of this chapter. The fee
8 assessed on a producer or on a distributor may not be more
9 than one-half the fee assessed on a producer-distributor.

10 (4) In addition to the fees established in subsections
11 (1) through (3), the department shall assess a fee of 18.46
12 cents per hundredweight on the volume of class I milk
13 produced and sold by a producer to be used for the
14 administration of the milk inspection and milk diagnostic
15 laboratory functions of the department OF LIVESTOCK and the
16 dairy extension and dairy herd improvement functions at
17 Montana state university. The board shall include this fee
18 in its formulas for fixing by rule the minimum producer,
19 wholesale, jobber, and retail prices for class I milk in
20 81-23-302.

21 (4)(5) The assessment assessments upon
22 producer-distributors, producers, and distributors shall
23 must be paid quarterly before January 15, April 15, July 15,
24 and October 15 of each year. The amount of the assessment
25 assessments shall must be computed by applying the fee

1 designated by the department and the fee established in
2 subsection (4) to the volume of milk sold in the preceding
3 calendar quarter.

4 (5)(6) Failure of a producer, producer-distributor, or
5 distributor to pay an assessment when due is a violation of
6 this chapter, and his a license under this chapter
7 automatically terminates and is void. A terminated license
8 so--terminated--shall must be reinstated by the department
9 upon payment of a delinquency fee equal to 30% of the
10 assessment which was due.

11 (6)(7) All Except for the assessment provided for in
12 subsection (4), all assessments required by this chapter
13 shall must be deposited by the department in the state
14 special revenue fund. All costs of administering this
15 chapter, including the salaries of employees and assistants,
16 per diem and expenses of board members, and all other
17 disbursements necessary to carry out the purpose of this
18 chapter, shall must be paid out of the board control--board
19 moneys money in that fund.

20 (8) The assessment provided for in subsection (4) must
21 be deposited by the department in an account in the state
22 special revenue fund. Money in the account must be used to
23 carry out the purposes of Title 81, chapter 22, and to fund
24 the state's portion of the dairy extension and dairy herd
25 improvement services provided for in [section 1].

1 ~~(7)~~(9) The department may, if it finds the costs of
2 administering and enforcing this chapter can be derived from
3 lower rates, amend its rules to fix the rates at a less
4 amount on or before April 1 in any year."

5 NEW SECTION. **Section 3.** Codification instruction.
6 [Section 1] is intended to be codified as an integral part
7 of Title 20, chapter 25, part 2, and the provisions of Title
8 20, chapter 25, part 2, apply to [section 1].

9 NEW SECTION. **Section 4.** Effective date --
10 applicability. [This act] is effective July 1, 1993. Payment
11 of the assessment in [section 2] begins with the quarterly
12 payment due on October 15, 1993.

-End-

HOUSE BILL NO. 516

INTRODUCED BY DEBRUYCKER, DEVLIN, KOEHNKE, BECK, MASON,
HIBBARD, HALLIGAN, REA

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING AN ASSESSMENT
ON CLASS I MILK TO FUND MILK INSPECTION AND DAIRY RESEARCH;
AMENDING SECTION 81-23-202, MCA; AND PROVIDING AN EFFECTIVE
DATE AND AN APPLICABILITY DATE."

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

NEW SECTION. Section 1. Dairy extension program. (1)

There is established as a part of the cooperative extension
service at Montana state university the dairy extension
program. The purpose of the program is to provide dairy
extension and dairy herd improvement services to dairy
producers in Montana.

(2) The dairy extension program is under the general
direction of the director of the cooperative extension
service, who shall appoint a committee of dairy producers to
advise the director in the provision of the services
described in subsection (1).

(3) The dairy extension program is funded by money
deposited in the state special revenue account provided for
in 81-23-202(6) and by dairy herd improvement association
dues.

Section 2. Section 81-23-202, MCA, is amended to read:

"81-23-202. Licenses -- disposition of income. (1) A
producer, producer-distributor, distributor, or jobber may
not engage in the business of producing or selling milk
subject to this chapter in this state without first having
obtained a license from the department of livestock or, in
the case of milk entering this state from another state or
foreign nation, without complying with the requirements of
the Montana Food, Drug, and Cosmetic Act and without being
licensed under this chapter by the department. The annual
fee for the license from the department is \$2 and is due
before July 1 and shall must be deposited by the department
to the credit of the general fund. The license required by
this chapter is in addition to any other license required by
state law or any municipality of this state. This chapter
shall-apply applies to every part of the state of Montana.

(2) In addition to the annual license fee, the
department shall, in each year, before April 1, for the
purpose of securing funds to administer and enforce this
chapter, levy an assessment upon producers,
producer-distributors, and distributors as follows:

(a) a fee per hundredweight on the total volume of all
milk subject to this chapter produced and sold by a
producer-distributor;

(b) a fee per hundredweight on the total volume of all

1 milk subject to this chapter sold by a producer;

2 (c) a fee per hundredweight on the total volume of all
3 milk subject to this chapter sold by a distributor,
4 excepting that which is sold to another distributor.

5 (3) The department shall adopt rules fixing the amount
6 of each fee. The amounts may not exceed levels sufficient to
7 provide for the administration of this chapter. The fee
8 assessed on a producer or on a distributor may not be more
9 than one-half the fee assessed on a producer-distributor.

10 (4) In addition to the fees established in subsections
11 (1) through (3), the department shall assess a fee of 18.46
12 cents per hundredweight on the volume of class I milk
13 produced and sold by a producer to be used for the
14 administration of the milk inspection and milk diagnostic
15 laboratory functions of the department OF LIVESTOCK and the
16 dairy extension and dairy herd improvement functions at
17 Montana state university. The board shall include this fee
18 in its formulas for fixing by rule the minimum producer,
19 wholesale, jobber, and retail prices for class I milk in
20 81-23-302.

21 ~~(4)(5)~~ The assessment assessments upon
22 producer-distributors, producers, and distributors shall
23 must be paid quarterly before January 15, April 15, July 15,
24 and October 15 of each year. The amount of the assessment
25 assessments shall must be computed by applying the fee

1 designated by the department and the fee established in
2 subsection (4) to the volume of milk sold in the preceding
3 calendar quarter.

4 ~~(5)(6)~~ Failure of a producer, producer-distributor, or
5 distributor to pay an assessment when due is a violation of
6 this chapter, and his a license under this chapter
7 automatically terminates and is void. A terminated license
8 ~~so--terminated--shall~~ must be reinstated by the department
9 upon payment of a delinquency fee equal to 30% of the
10 assessment which was due.

11 ~~(6)(7)~~ All Except for the assessment provided for in
12 subsection (4), all assessments required by this chapter
13 shall must be deposited by the department in the state
14 special revenue fund. All costs of administering this
15 chapter, including the salaries of employees and assistants,
16 per diem and expenses of board members, and all other
17 disbursements necessary to carry out the purpose of this
18 chapter, shall must be paid out of the board ~~control--board~~
19 ~~moneys money~~ in that fund.

20 (8) The assessment provided for in subsection (4) must
21 be deposited by the department in an account in the state
22 special revenue fund. Money in the account must be used to
23 carry out the purposes of Title 81, chapter 22, and to fund
24 the state's portion of the dairy extension and dairy herd
25 improvement services provided for in [section 1].

1 ~~{7}~~(9) The department may, if it finds the costs of
2 administering and enforcing this chapter can be derived from
3 lower rates, amend its rules to fix the rates at a less
4 amount on or before April 1 in any year."

5 NEW SECTION. **Section 3.** Codification instruction.
6 [Section 1] is intended to be codified as an integral part
7 of Title 20, chapter 25, part 2, and the provisions of Title
8 20, chapter 25, part 2, apply to [section 1].

9 NEW SECTION. **Section 4.** Effective date --
10 applicability. [This act] is effective July 1, 1993. Payment
11 of the assessment in [section 2] begins with the quarterly
12 payment due on October 15, 1993.

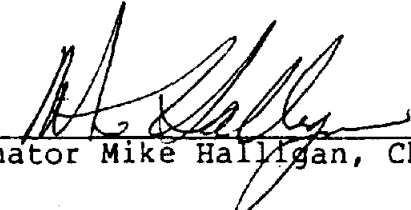
-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 2, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 516 (third reading copy -- blue), respectfully report that House Bill No. 516 be amended as follows and as so amended be concurred in.

Signed: 

Senator Mike Halligan, Chair

That such amendments read:

1. Page 1, line 24.

Strike: "(6)"

Insert: "(8)"

-END-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 12, 1993 12:40 pm

Mr. Chairman: I move to amend House Bill No. 516 (third reading copy -- blue).

ADOPT

REJECT

Signed: 
Senator Barry "Spook" Stang

That such amendments read:

1. Title, line 6.
Strike: "DAIRY RESEARCH"
Insert: "DIAGNOSTIC LABORATORY FUNCTIONS"
2. Page 1, lines 11 through 25.
Strike section 1 in its entirety
Renumber: subsequent sections
3. Page 3, line 11.
Strike: "18.46"
Insert: "14.97"
4. Page 3, lines 15 through 17.
Following: "LIVESTOCK" on line 15
Strike: remainder of line 15 through "university" on line 17
5. Page 4, lines 23 through 25.
Following: "22" on line 23
Strike: remainder of line 23 through "[section 1]" on line 25
6. Page 5, lines 5 through 8.
Strike section 3 in its entirety
Renumber: subsequent section
7. Page 5, line 11.
Strike: "2"
Insert: "1"

-END-

SENATE

HB 516

HOUSE BILL NO. 516

INTRODUCED BY DEBRUYCKER, DEVLIN, KOEHNKE, BECK, MASON,
HIBBARD, HALLIGAN, REA

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING AN ASSESSMENT
ON CLASS I MILK TO FUND MILK INSPECTION AND DAIRY-RESEARCH
DIAGNOSTIC LABORATORY FUNCTIONS; AMENDING SECTION 81-23-202,
MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY
DATE."

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

~~NEW-SECTION.~~ ~~Section 1.~~ ~~Dairy-extension-program--(1)--~~

~~There-is-established-as-a-part-of-the-cooperative--extension~~
~~service--at--Montana--state--university--the-dairy-extension~~
~~program--The-purpose-of-the--program--is--to--provide--dairy~~
~~extension--and--dairy--herd--improvement--services--to-dairy~~
~~producers-in-Montana.~~

~~(2)--The-dairy-extension-program-is--under--the--general~~
~~direction--of--the--director--of--the--cooperative-extension~~
~~service, who shall appoint a committee of dairy producers to~~
~~advise--the--director--in--the--provision--of--the--services~~
~~described-in-subsection-(1).~~

~~(3)--The-dairy-extension-program--is--funded--by--money~~
~~deposited--in-the-state-special-revenue-account-provided-for~~
~~in-81-23-202(6)(b) and-by-dairy-herd-improvement-association~~

dues.

Section 1. Section 81-23-202, MCA, is amended to read:

"81-23-202. Licenses -- disposition of income. (1) A
producer, producer-distributor, distributor, or jobber may
not engage in the business of producing or selling milk
subject to this chapter in this state without first having
obtained a license from the department of livestock or, in
the case of milk entering this state from another state or
foreign nation, without complying with the requirements of
the Montana Food, Drug, and Cosmetic Act and without being
licensed under this chapter by the department. The annual
fee for the license from the department is \$2 and is due
before July 1 and ~~shall~~ must be deposited by the department
to the credit of the general fund. The license required by
this chapter is in addition to any other license required by
state law or any municipality of this state. This chapter
~~shall apply~~ applies to every part of the state of Montana.

(2) In addition to the annual license fee, the
department shall, in each year, before April 1, for the
purpose of securing funds to administer and enforce this
chapter, levy an assessment upon producers,
producer-distributors, and distributors as follows:

(a) a fee per hundredweight on the total volume of all
milk subject to this chapter produced and sold by a
producer-distributor;

(b) a fee per hundredweight on the total volume of all milk subject to this chapter sold by a producer;

(c) a fee per hundredweight on the total volume of all milk subject to this chapter sold by a distributor, excepting that which is sold to another distributor.

(3) The department shall adopt rules fixing the amount of each fee. The amounts may not exceed levels sufficient to provide for the administration of this chapter. The fee assessed on a producer or on a distributor may not be more than one-half the fee assessed on a producer-distributor.

(4) In addition to the fees established in subsections (1) through (3), the department shall assess a fee of ~~18.46~~ 14.97 cents per hundredweight on the volume of class I milk produced and sold by a producer to be used for the administration of the milk inspection and milk diagnostic laboratory functions of the department OF LIVESTOCK and--the dairy--extension--and--dairy--herd--improvement-functions-at Montana-state-university. The board shall include this fee in its formulas for fixing by rule the minimum producer, wholesale, jobber, and retail prices for class I milk in 81-23-302.

~~(4)(5)~~ The ~~assessment~~ assessments upon producer-distributors, producers, and distributors ~~shall~~ must be paid quarterly before January 15, April 15, July 15, and October 15 of each year. The amount of the ~~assessment~~

~~assessments shall~~ must be computed by applying the fee designated by the department and the fee established in subsection (4) to the volume of milk sold in the preceding calendar quarter.

~~(5)(6)~~ Failure of a producer, producer-distributor, or distributor to pay an assessment when due is a violation of this chapter, and ~~his~~ a license under this chapter automatically terminates and is void. A terminated license ~~so-terminated-shall~~ must be reinstated by the department upon payment of a delinquency fee equal to 30% of the assessment which was due.

~~(6)(7)~~ ~~All~~ Except for the assessment provided for in subsection (4), all assessments required by this chapter ~~shall~~ must be deposited by the department in the state special revenue fund. All costs of administering this chapter, including the salaries of employees and assistants, per diem and expenses of board members, and all other disbursements necessary to carry out the purpose of this chapter, ~~shall~~ must be paid out of the board control-board moneys ~~money~~ in that fund.

(8) The assessment provided for in subsection (4) must be deposited by the department in an account in the state special revenue fund. Money in the account must be used to carry out the purposes of Title 81, chapter 22, and to fund the state's portion of the dairy-extension--and--dairy--herd

1 ~~improvement-services-provided-for-in-{section-1}.~~

2 ~~{7}{9}~~ The department may, if it finds the costs of
3 administering and enforcing this chapter can be derived from
4 lower rates, amend its rules to fix the rates at a less
5 amount on or before April 1 in any year."

6 ~~NEW-SECTION.---Section-3.---Codification-----instruction---~~
7 ~~{Section--1}--is-intended-to-be-codified-as-an-integral-part~~
8 ~~of-Title-20,-chapter-25,-part-2,-and-the-provisions-of-Title~~
9 ~~20,-chapter-25,-part-2,-apply-to-{section-1}.~~

10 ~~NEW SECTION. Section 2. Effective date --~~
11 ~~applicability. [This act] is effective July 1, 1993. Payment~~
12 ~~of the assessment in [section 2 1] begins with the quarterly~~
13 ~~payment due on October 15, 1993.~~

-End-