

SENATE BILL NO. 30
INTRODUCED BY AKLESTAD

IN THE SENATE

DECEMBER 22, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION.
JANUARY 4, 1993	FIRST READING.
JANUARY 9, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
	PRINTING REPORT.
JANUARY 11, 1993	SECOND READING, DO PASS.
JANUARY 12, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 48; NOES, 1.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 13, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION.
	FIRST READING.
JANUARY 21, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
JANUARY 23, 1993	SECOND READING, CONCURRED IN AS AMENDED.
JANUARY 26, 1993	THIRD READING, CONCURRED IN. AYES, 96; NOES, 1.
	RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

FEBRUARY 8, 1993	RECEIVED FROM HOUSE.
	SECOND READING, AMENDMENTS CONCURRED IN.

FEBRUARY 9, 1993

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

SENATE BILL NO. 30

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE SYSTEM OF ASSESSMENT ON WHEAT AND BARLEY TO REQUIRE COLLECTION OF THE ASSESSMENT ON WHEAT OR BARLEY PLEDGED TO THE COMMODITY CREDIT CORPORATION AT THE TIME OF PURCHASE, NOT AT THE TIME A LEASE OR LOAN IS MADE UNDER THE PROGRAM; AND AMENDING SECTION 80-11-206, MCA."

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

Section 1. Section 80-11-206, MCA, is amended to read:

"80-11-206. Maximum annual assessment on wheat and barley grown. (1) There is hereby levied an annual assessment of not more than 10 mills per bushel upon on all wheat grown and not more than 15 mills per hundredweight on all barley grown in the state of Montana and sold through commercial channels. The assessment is hereby levied and imposed on each grower of wheat or barley in the state of Montana:

(a) in the case of sale of wheat or barley, at the time of any sale of wheat or barley by a grower, and shall must be collected by the first purchaser of the wheat or barley from the grower at the time of each settlement for wheat or barley purchased; or

(b) in the case of a pledge or mortgage of wheat or barley as security for a loan under any federal price support program other than the commodity credit corporation, the assessment shall must be collected by deducting the amount thereof of the assessment from the proceeds of such the loan at the time the loan is made by the agency or person making the loan; or

(c) in the case of wheat or barley pledged under the federal commodity credit corporation, the assessment must be collected at the time of purchase, not at the time a lease or loan is made under the program.

(2) The assessment levied under the provisions of this part shall must be deducted and collected as provided by this part, whether such the wheat or barley is stored in this or any other state. The assessment shall--attach attaches to each transaction, but no grower shall--be is subject to assessment more than once irrespective of the number of times it--shall-be the assessment is the subject of a sale, pledge, mortgage, or other transaction, the assessment being imposed and attaching on the initial sale, pledge, mortgage, or other transaction in which the wheat or barley grower parts with title to the wheat or barley, or creates some interest therein in a pledgee, mortgagee, or other person."

-End-

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STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0030, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the system of assessment on wheat and barley to require collection of the assessment on wheat or barley pledged to the commodity credit corporation at the time of purchase, not at the time a lease or loan is made under the program.

ASSUMPTIONS:

1. 95% of wheat production assessed.
2. 80% of barley production assessed.
3. Production estimates are based on 5 year average 1987-1991 (wheat-132 million bushels, barley-67 million bushels).
4. Estimated double assessment charge currently equal to a maximum of 1.5%.
5. Market price remains above commodity credit corporation (CCC) loan rate. (If price falls below CCC loan rate the percentage double assessment charge would drop to near zero).
6. Revenue and expenditure estimated based upon FY94 and FY95 projections.
7. 1.5% of estimated assessment revenue reduced with changes through proposed legislation.
8. Data and resulting computations determined from annual Agricultural Statistics Bulletin, prepared by USDA, Agricultural Statistics Service.

FISCAL IMPACT:

	FY94			FY95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
State Special Fund	\$1,676,678	\$1,676,678	-0-	\$1,703,238	\$1,703,238	-0-
<u>Revenues:</u>						
State Special Fund	\$1,716,000	\$1,691,220	(\$24,780)	\$1,716,000	\$1,691,220	(\$24,780)

Net Impact:

State Special revenue reduction of \$24,780

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

If market prices fall below CCC loan rates, assessment collection could be hampered, subject to development of procedures with ASCS to ensure first point of sale assessment collection on CCC grain.

David Lewis 1-9-93
 DAVID LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

GARY AKLESTAD, PRIMARY SPONSOR

DATE

Fiscal Note for SB0030, as introduced

SB 30

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
AND IRRIGATION

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all barley grown in the state of Montana and sold through
commercial channels. The assessment is hereby levied and
imposed on each grower of wheat or barley in the state of
Montana:

(a) in the case of sale of wheat or barley, at the time
of any sale of wheat or barley by a grower, and shall must
be collected by the first purchaser of the wheat or barley
from the grower at the time of each settlement for wheat or
barley purchased; or

(b) in the case of a pledge or mortgage of wheat or
barley as security for a loan under any federal price
support program other than the commodity credit corporation,
the assessment shall must be collected by deducting the
amount thereof of the assessment from the proceeds of such
the loan at the time the loan is made by the agency or
person making the loan-; or

(c) in the case of wheat or barley pledged under the
federal commodity credit corporation, the assessment must be
collected at the time of purchase, not at the time a lease
or loan is made under the program.

(2) The assessment levied under the provisions of this
part shall must be deducted and collected as provided by
this part, whether such the wheat or barley is stored in
this or any other state. The assessment shall--attach
attaches to each transaction, but no grower shall--be is
subject to assessment more than once irrespective of the
number of times it--shall-be the assessment is the subject of
a sale, pledge, mortgage, or other transaction, the
assessment being imposed and attaching on the initial sale,
pledge, mortgage, or other transaction in which the wheat or
barley grower parts with title to the wheat or barley, or
creates some interest therein in a pledgee, mortgagee, or
other person."

-End-

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SB 30

SECOND READING

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
AND IRRIGATION

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barley grower parts with title to the wheat or barley, or
creates some interest therein in a pledgee, mortgagee, or
other person."

-End-

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SB 30

THIRD READING

HOUSE COMMITTEE OF THE WHOLE AMENDMENT

Senate Bill 30

Representative DeBruycker

January 23, 1993 7:40 am

Page 1 of 1

Mr. Chairman: I move to amend Senate Bill 30 (third reading copy -- blue).

Signed:

Representative DeBruycker

And, that such amendments to Senate Bill 30 read as follows:

1. Title, line 8.

Following: "PROGRAM;"

Strike: "AND"

2. Title, line 9.

Following: "MCA"

Insert: "; AND PROVIDING AN EFFECTIVE DATE"

3. Page 2, line 25.

Following: line 24

Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on July 1, 1993."

ADOPT

REJECT

SB 30
180739CW.Hpf

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NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS

SB 0030/02

1 EFFECTIVE JULY 1, 1993.

-End-