

EXHIBIT 5
DATE 3/11/09
HB 478

**HOUSE COMMITTEE
ON
APPROPRIATIONS**

House Bill 478

**Testimony of Greg Ames
Administrator, Agricultural Sciences Division
Montana Department of Agriculture**

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

Good afternoon, my name is Greg Ames. I am the Administrator of the Agricultural Science Division with the Montana Department of Agriculture. The Department supports small businesses and farmer markets that promote "grow and buy local", however, we have some fiscal and technical concerns with House Bill 478.

Protecting the health and safety of Montana agriculture is one of our top priorities. A healthy nursery industry provides essential protection of all Montana agriculture.

There is a cost associated with promoting and protecting healthy agriculture. Ninety-eight percent of the nursery program's revenue is from license fees. Last year license fees generated \$105,000 in program revenue. House Bill 478 is proposing to exempt small plant vendors from licensure and license fees, which will result in a reduction in revenue of \$41,000. This represents a reduction of 39 percent of the program's revenue. Even with the existing authority to adjust the fees by administrative rule for the remaining nurseries with gross annual sales of \$3,000 or more to the statutory cap of \$125, the fiscal impact would still be \$21,000, which represents a 20% reduction in program revenue.

It is vitally important to the department that every nursery in the state have a license. The department needs the ability to identify and contact nurseries to

communicate pest risk; identify sources of pests, diseases, and contamination, conduct trace-forwards, trace-backs, and other preventative, management, and control activities.

In order to support the concept this bill proposes, it would need to be revenue neutral and the department needs information on who is selling or distributing nursery stock in our state. With that in mind, we can offer suggestions that would allow this bill to meet those needs and meet the needs expressed to Representative Grinde by her constituents. We urge your careful consideration of the impacts of the bill. As currently proposed, the department of agriculture can not support House Bill 478.