

## SENATE BILL NO. 277

INTRODUCED BY F. MOORE

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT THE BEEF CHECK-OFF IS TO BE PAID ONLY  
5 ON CATTLE SOLD; LIMITING THE FEE CHARGEABLE BY THE DEPARTMENT OF LIVESTOCK FOR  
6 COLLECTING THE NATIONAL BEEF CHECK-OFF; REQUIRING THE LEGISLATIVE AUDITOR TO AUDIT THE  
7 DEPARTMENT OF LIVESTOCK'S DIRECT COSTS FOR COLLECTING THE BEEF CHECK-OFF; AMENDING  
8 SECTIONS 81-1-102, 81-8-901, AND 81-8-902, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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12 **Section 1.** Section 81-1-102, MCA, is amended to read:  
13 **"81-1-102. Duties and powers of department -- fees based on costs.** (1) The department shall  
14 exercise general supervision over and, so far as possible, protect the livestock interests of the state from theft  
15 and disease and recommend legislation that, in the judgment of the department, fosters ~~this~~ the livestock industry.  
16 The department may compel the attendance of witnesses, employ counsel to assist in the prosecution of  
17 violations of laws made for the protection of livestock interests, and assist in the prosecution of persons charged  
18 with illegal branding or theft of livestock or any other crime under the laws of this state for the protection of stock  
19 owners. It may adopt rules governing the recording and use of livestock brands.

20 (2) ~~The~~ Except as provided in 81-8-901, the department shall by rule establish all fees that it is  
21 authorized to charge, commensurate with costs as provided in 37-1-134.

22 (3) The department shall perform the duties assigned to the department relating to the administration  
23 and regulation of alternative livestock ranches."  
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25 **Section 2.** Section 81-8-901, MCA, is amended to read:

26 **"81-8-901. Beef promotion and marketing -- powers and duties of department -- contract.** (1) The  
27 department shall:

28 ~~(+)~~(a) cooperate and contract with the Montana beef council for collecting an assessment of \$1 for each  
29 head of Montana ~~livestock~~ cattle sold as established in the national Beef Promotion and Research Act of 1985,  
30 7 U.S.C. 2901 through 2911, also referred to as the national beef check-off, and 7 CFR, part 1260, subpart A;

1           **(b) adopt rules necessary for the administration of this section.**

2           **(2) (a) Any contract agreed to under this section between the department and the Montana beef council**  
3 **must include a fee, not to exceed 5% of the total check-off funds collected, to be paid to the department by the**  
4 **Montana beef council to reimburse the department for all expenses directly incurred through the collection of the**  
5 **check-off activities as verified by the legislative auditor.**

6           **(b) The Montana beef council is not obligated under this section or any other state law to contract for a**  
7 **fee that exceeds 5% of the check-off fees collected.**

8           ~~——— (2) adopt rules necessary for the administration of this section."~~

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10           **Section 3.** Section 81-8-902, MCA, is amended to read:

11           **"81-8-902. Department not liable for collection of assessment -- inspection.** (1) The department  
12 and its agents and employees are not responsible or liable for the collection or payment of money due to the  
13 Montana beef council pursuant to 81-8-901(4) if 81-8-901 and this section are carried out in good faith.

14           (2) The department may not refuse to inspect livestock if the livestock owner refuses to pay the  
15 assessment imposed under 81-8-901(4)."

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17           **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 2011.

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