



Organizational Meeting  
 MONTANA Department of AGRICULTURE

**2015 Legislative Session Handout**

**Department Mission**

*"To protect producers and consumers, and to enhance and develop agriculture and allied industries."*

**Department of Agriculture, (406) 444-3144**

**Website: agr.mt.gov Email: agr@mt.gov**

**Overview:** Montana agriculture has been a strong point in Montana's economy for the last five years. High crop and beef prices, and the growth of pulse crops (dry peas & lentils) as a rotational crop on fallow ground, in addition to the local food movement have allowed Montana agriculture to outpace national trends (see chart). Weather events in the last two years, record hail damage in 2013 and torrential rain this year, have impacted the industry and department.

<b>Market Value of Agricultural Products</b>	\$2,803,062,000	\$4,230,194,000	50.9%	32.8%
<b>Average per Farm (\$)</b>	\$94,942	\$151,035	59.1%	38.8%

**Legislation:** The department is requesting a total of six housekeeping bills this session.

**HB 91 - Standardize per diem for all agricultural boards and committees**

This proposal would tie per diem amounts for the members of all department of agriculture boards, committees, or councils to the amount specified in MCA 2-15-122(5), which is \$50/day. Currently members on five of the department's 14 boards, committees, or councils receive \$25/day per diem for their service: Montana Wheat and Barley Committee, Alfalfa Seed Committee, Mint Committee, Pesticide Advisory Council (not currently active), and the Board of Hail Insurance.

**HB 105 - Revise fee distribution laws for agriculture analytical lab**

The department of agriculture's analytical laboratory provides chemistry testing not only for our internal regulatory and monitoring programs but also as a service to the public on a fee-for-service basis. The lab is operated in cooperation with the Montana State University Agriculture Experiment Station (MSU AES). Financial activity of the lab has transferred from MSU AES to the department of agriculture over the last year. This proposal would recognize the Montana analytical lab as part of the department of agriculture and grant it rulemaking authority to establish a fee schedule.

**HB 108 - Revise noxious weed budget laws**

This proposal would change the method of calculating the department of agriculture's non-grant expenditures cap to a percentage of the previous year's revenue instead of a percentage of the current year's grant expenses. This will enable the department to know in advance what it may spend and provides a consistent calculation basis.

**HB 109 - Allow department of agriculture to provide plant sampling services**

This proposal would allow the department of agriculture, as a neutral party and if requested, to collect a sample of plant material and send it for testing to a qualified institution. The department would have the ability to create rules to implement such services and determine fees.

**SB 78 - Repeal laws related to the mint committee**

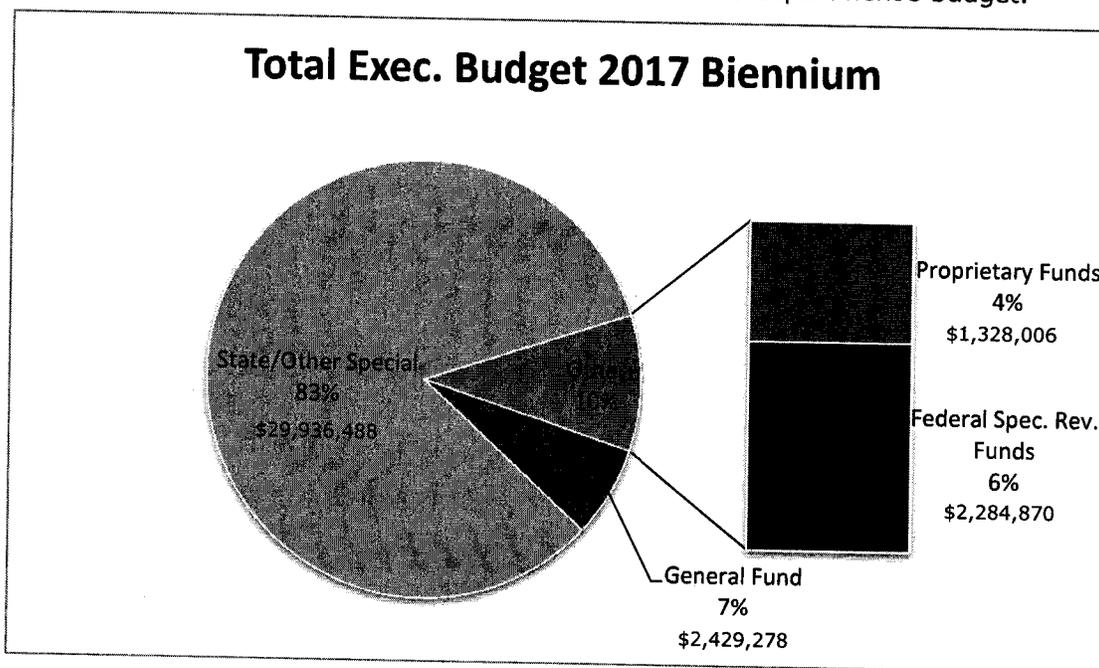
This proposal would eliminate the mint committee, the assessment on mint oil, and the mint oil purchaser's license and is being recommended, with support of the mint committee members, because mint production in the state has diminished and very little revenue is received in the program.

**LC 444 - Allow use of alfalfa seed assessments for leaf-cutting bee program**

This proposal would eliminate funding restrictions in the alfalfa leaf cutting bee (ALCB) program and allow the alfalfa seed committee to direct alfalfa seed grower assessments to support the ALCB program.

Contact: Cort Jensen, Department Attorney, (406) 444-5402, [cojensen@mt.gov](mailto:cojensen@mt.gov)

**Budget:** The department is relatively small compared to the size of the industry with just over 100 regular employees plus seasonal workers. The department is primarily funded through special revenue from the industry with general fund comprising less than 7% of the department's budget.



**New Proposals:**

**Request for Statewide Noxious Weed Coordinator - \$150,000**

This request is for 1.00 fte and \$150,000 general fund appropriation each year of the biennium to support statewide noxious weed control coordination personal services and operating costs. Statewide noxious weed control funding was capped by the 2013 Legislature requiring the program to reduce staff levels and coordination activities. This funding would restore statewide noxious weed control coordination to assist weed districts and local governments in their weed control efforts and coordinate these efforts with state and federal agency, tribal, and other weed control endeavors.

**Request for Food and Ag Development Centers - \$105,000**

This request for \$105,000 general fund authority each year of the biennium is to maintain funding for the state's four food and agricultural development centers at the current level. These four centers comprise the Montana food and agricultural development network which provides training, coaching, and technical assistance to Montanans who wish to develop value-added agriculture businesses. Centers offer support with product development, testing, and analysis; regulatory compliance training; food processing; business planning and development; market research and planning; financial analysis; preparing grant and other funding applications; and additional services. The funding is passed through the department of agriculture to the four centers in the network.

**Request for Agriculture Literacy Program - \$30,000**

This request is for \$30,000 per year of state special revenue to support the instructional coordinator with funds from outside sources. The agriculture literacy program has seen increased demand, providing state standard curriculum materials specific to agriculture to over 3,000 teachers, reaching over 80,000 students in a year.

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**Director Ron de Yong, (406) 444-3144**

Deputy Director: Joel Clairmont

Central Services Administrator: Libbi H. Lovshin

Attorney: Cort Jensen

Information Specialist: Jayson O'Neill

### **Department Programs & Background**

Montana Department of Agriculture operates 30 programs, many funded entirely through user fees. These include regulatory programs that protect producers, consumers and the environment, as well as development and marketing programs to foster growth in Montana agriculture. The Director's Office also serves as an advocate for Montana agriculture in national and international forums, and works to make the department's programs accessible to the public.

#### **Ag Development & Marketing Bureau**

Bureau Chief: Kim Falcon, (406) 444-2402

- Marketing and Business Assistance
- Grants and Loans
- Agricultural Curriculum Development
- Agricultural Finance
- Agricultural Statistics
- State Hail Insurance
- Commodity Check-off Programs

#### **Wheat & Barley Bureau, Great Falls**

Executive Vice President: Collin Watters, (406) 761-7732

- Producer Funded Research & Marketing
- Hosts Foreign Buyers and Delegations

#### **State Grain Laboratory, Great Falls**

Bureau Chief: Jeff Rumney, (406) 452-9561

- Federally licensed grain inspection

**Food and Agriculture Development Centers** assisted 132 clients with regional food and farm-derived energy projects in FY 2012, helping to introduce 47 new products, start 19 new businesses and assist 24 business expansions.

**Growth Through Agriculture** grants and loans during FY 2013 totaled more than \$450,000 to 40 businesses and individuals for value-added agriculture projects.

**Marketing Assistance** during FY 2013 included more than 40 one-on-one company consultations, about \$90,000 in trade show sales, and 18 promotions in out of state trade shows.

**Rural Development** finance programs have a combined loan portfolio of more than \$3.5 million.

**State Hail Insurance** insured 1.9 million acres in 2013, above the previous year's 1.8 million acres.

**State Grain Laboratory** completed nearly 37,000 tests for grade, protein, germination, baking qualities, vomitoxin and other characteristics on wheat, barley and 20 other commodities, including more than 3,000 inspections on peas, beans and lentils. The Great Falls facility is the only federally licensed grain lab in Montana. A branch office is situated in Plentywood.

**Wheat & Barley Committee** annually hosts an average of 13 foreign trade delegations and 60 visitors from seven nations that have an interest in purchasing Montana grains. The Committee represents producers on transportation issues, research, and market development.

## **Agricultural Sciences Division**

Administrator: Greg Ames, (406) 444-2945

### **Analytical Laboratory Bureau, Bozeman**

Bureau Chief: Heidi Hickes, (406) 994-3383

- Provides testing services for feed, fertilizer, pesticide and ground water programs.

### **Commodity Services Bureau**

Bureau Chief: Andy Gray, (406) 444-3730

- Anhydrous Ammonia
- Feed/Fertilizer
- Grain Warehouses and Auditing
- Organic Certification
- Produce/Seed/Seed Potatoes
- Cooperative Ag. Pest Survey

### **Agricultural Services Bureau**

Bureau Chief: Donna Rise, (406) 444-5400

- Apiary/Alfalfa Leaf Cutter Bees
- Noxious Weeds
- Noxious Weed Seed Free Forage
- Nursery/Quarantine
- Ground Water
- Pesticide Licensing and Registration
- Pesticide Recycling & Disposal
- Pesticide Compliance
- Driftwatch
- Vertebrate Pests

### **The Department:**

- Licenses about 500 pesticide dealers and registers 11,000 pesticide products.
- Licenses about 5,800 private and 2,000 commercial and government pesticide applicators.
- Certifies 74 commercial honeybee operations and registers 5,600 apiary locations.
- Issues 1,000 plant health and export certificates, enabling products to be shipped to other states and countries.
- Licenses 900 nurseries to assure quality products.
- Issues 2,995 inspection certificates on 275 million pounds of potatoes shipped for seed.
- Licensed about 950 feed manufacturer/distributors and registered about 7,500 pet food products.

**Analytical Laboratory**, operated jointly with MSU at Bozeman, reports about 125,500 individual test results annually on 3,200 feed, fertilizer, soil, plant tissue and water samples.

**Pesticide Disposal program** assists homeowners, businesses and producers in disposing of unwanted and unusable pesticides – a total of 424,821 pounds since 1994.

**Pesticide Container Recycling Program** was created to keep pesticide container plastic out of Montana's landfills. The PCRPP truck will arrive at predetermined collection sites to collect and grind all cleaned and prepared #2 HDPE pesticide plastic. The program has collected approximately 210,000 lbs. since 2009.

**Fertilizer program** registered more than 3,800 fertilizer and soil amending products and licensed over 500 businesses in 2013. Reports indicate over 700,000 tons of fertilizer was distributed in Montana during 2013.

**Organic program** annually inspects and certifies 105 farms and ranches and 46 food handlers as compliant with USDA organic standards. Organic certification allows access to local, national and international value-added markets for organic food products.

**Noxious Weed Trust Fund** annually distributes more than \$2 million in grants for weed management, research and education from automobile license weed management revenue, federal grants and interest received on Noxious Weed Trust Fund principal.

### **Board, Councils and Committees**

- Agriculture Development Council
- Noxious Weed Management Advisory Council
- Noxious Weed Seed Free Forage Advisory Council
- Hail Insurance Board
- Organic Commodity Advisory Council
- Mint Committee
- Wheat & Barley Committee
- Pulse Crop Advisory Committee
- Potato Advisory Committee
- Cherry Advisory Committee
- Alfalfa Seed Committee