

1 SENATE BILL NO. 183

2 INTRODUCED BY T. BROWN

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING MILK LICENSING ASSESSMENTS; REQUIRING
5 MONTHLY PAYMENTS; ELIMINATING AUTOMATIC TERMINATION OF A LICENSE FOR NONPAYMENT;
6 PROVIDING RULEMAKING AUTHORITY; AMENDING SECTION 81-23-202, MCA; AND PROVIDING AN
7 EFFECTIVE DATE."

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

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11 **Section 1.** Section 81-23-202, MCA, is amended to read:
12 **"81-23-202. Licenses -- disposition of income.** (1) A producer, producer-distributor, distributor, or
13 jobber may not engage in the business of producing or selling milk subject to this chapter in this state without first
14 having obtained a license from the department as provided in 81-22-202 or, in the case of milk entering this state
15 from another state or foreign nation, without complying with the requirements of the Montana Food, Drug, and
16 Cosmetic Act and without being licensed under this chapter by the board. The annual fee for the license is \$2,
17 is due before July 1, and must be deposited by the department in the general fund. The license required by this
18 chapter is in addition to any other license required by state law or any municipality of this state. This chapter
19 applies to every part of the state of Montana.

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

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

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

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

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

1 (4) (a) In addition to the fees established in subsections (1) through (3), the department shall assess a
2 fee per hundredweight on the volume of all classes of milk produced and sold by a person licensed by the
3 department to be used for the administration of the milk inspection and milk diagnostic laboratory functions of the
4 department. The fee must be established pursuant to 81-1-102(2).

5 (b) A person licensed by the department shall report to the department on a monthly basis the volume
6 of milk produced. All reporting documentation must be submitted on forms approved or provided by the
7 department.

8 (5) The assessments upon producer-distributors, producers, and distributors must be paid ~~quarterly~~
9 ~~before January 15, April 15, July 15, and October 15 of each year~~ before the 25th day of each month. The amount
10 of the assessments must be computed by applying the fee designated by the board and the fee established in
11 subsection (4) to the volume of milk sold in the preceding ~~calendar quarter~~ month.

12 (6) Failure of a producer-distributor, producer, or distributor to pay an assessment when due is a violation
13 of this chapter, and ~~a license under this chapter automatically terminates and is void~~ the board may revoke a
14 license upon due cause and after a hearing. A licensee shall pay all assessments accrued through the date a
15 license is revoked under this section. A ~~terminated~~ revoked license must be reinstated by the board upon
16 payment of all accrued assessments and a delinquency fee equal to 30% of the assessment that was due
17 established by rule.

18 (7) All assessments required by this chapter must be deposited by the department in the state special
19 revenue fund. All costs of administering chapter 22 and this chapter, including the salaries of employees and
20 assistants, per diem and expenses of board members, and all other disbursements necessary to carry out the
21 purpose of chapter 22 and this chapter, must be paid out of the board money in that fund.

22 (8) The board may, if it finds the costs of administering and enforcing this chapter can be derived from
23 lower rates, amend its rules to fix the rates at a less amount on or before April 1 in any year."
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25 NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2015.

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