SENATE BILL NO. 326

INTRODUCED BY M. TAYLOR, COLE, BECK, BERRY, BOOKOUT-REINICKE, BRUEGGEMAN,
BUTCHER, DEVLIN, ESP, R. HOLDEN, KITZENBERG, LAWSON, LEWIS, MAHLUM, MCNUTT, MOOD,
OLSON, ROME, ROUSH, SOMERVILLE, STEINBEISSER, TESTER, B. THOMAS

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS GOVERNING WEEDS; PROVIDING FOR A TAX DEDUCTION FOR THE PURCHASE OF CERTIFIED NOXIOUS WEED SEED FREE FORAGE: REQUIRING A WEED MANAGEMENT DISTRICT TO PROVIDE THE DEPARTMENT OF AGRICULTURE WITH A COMPREHENSIVE WEED MANAGEMENT PLAN BEFORE BECOMING ELIGIBLE TO RECEIVE STATE FUNDING: REQUIRING THAT THE DEPARTMENT OF AGRICULTURE REPORT TO THE APPROPRIATE INTERIM COMMITTEE: PROVIDING A TAX CREDIT FOR THE EXPENSE OF CONTROLLING NOXIOUS WEEDS; TRANSFERRING FUNDS FROM THE HIGHWAY NONRESTRICTED ACCOUNT INTO THE NOXIOUS WEED STATE SPECIAL REVENUE ACCOUNT; PROVIDING DIRECTION TO THE DEPARTMENT OF AGRICULTURE FOR THE DISBURSEMENT OF FUNDS TO WEED MANAGEMENT DISTRICTS: ALLOWING A DISTRICT WEED BOARD TO ENTER INTO COST-SHARE AGREEMENTS FOR NOXIOUS WEED MANAGEMENT; REVISING THE APPEAL PROCEDURE FOR A PERSON ADVERSELY AFFECTED BY ANY NOTICE, ACTION, OR ORDER OF THE DISTRICT WEED BOARD; CHANGING THE VIOLATION PENALTY FROM A MISDEMEANOR TO A CIVIL PENALTY; ALLOWING A DISTRICT WEED BOARD TO ENTER INTO AGREEMENTS WITH COMMERCIAL APPLICATORS FOR THE CONTROL AND DESTRUCTION OF WEEDS; ESTABLISHING STATUTORY AUTHORITY FOR COUNTY COMMISSIONERS TO IMPOSE A TAX FOR WEED CONTROL WITHIN A SPECIAL MANAGEMENT ZONE IF THE TAX IS APPROVED BY THE CITIZENS OF THE MANAGEMENT ZONE; REQUIRING THAT MUNICIPALITIES COMPLETE THEIR COOPERATIVE AGREEMENTS WITH THEIR RESPECTIVE DISTRICT WEED BOARDS BY JANUARY 1, 2002; REQUIRING PRIOR NOTIFICATION TO THE DISTRICT WEED BOARD OF AN ACTIVITY THAT MAY REQUIRE REVEGETATION OF RIGHTS-OF-WAY AND AREAS THAT HAVE THE POTENTIAL FOR NOXIOUS WEED INFESTATION; DECREASING THE AMOUNT OF RESOURCE INDEMNITY TRUST FUND INTEREST THAT IS DEPOSITED IN THE RENEWABLE RESOURCE GRANT AND LOAN ACCOUNT AND THE RECLAMATION AND DEVELOPMENT GRANTS ACCOUNT: PROVIDING FOR THE DEPOSIT OF \$500,000 OF RESOURCE INDEMNITY TRUST FUND INTEREST INCOME INTO THE NOXIOUS WEED STATE SPECIAL REVENUE ACCOUNT; REQUIRING THE STATE TREASURER TO TRANSFER \$250,000 FROM THE TREASURE STATE ENDOWMENT FUND INTO THE NOXIOUS WEED STATE SPECIAL REVENUE ACCOUNT; REQUIRING A

SELLER AGENT TO DISCLOSE TO THE BUYER OR BUYER AGENT THE PRESENCE OF NOXIOUS WEEDS ON PROPERTY; REQUIRING A SELLER AGENT TO DISCLOSE TO THE BUYER OR BUYER AGENT AND A SELLER TO DISCLOSE TO THE SELLER AGENT THE PRESENCE OF NOXIOUS WEEDS ON PARCELS OF LAND 1 ACRE OR LARGER IN SIZE; EXPANDING THE CONDITIONS THAT CONSTITUTE A NOXIOUS WEED EMERGENCY AND INCREASING THE AMOUNT OF FUNDS THAT CAN BE ALLOCATED TO ADDRESS NOXIOUS WEED EMERGENCIES; AMENDING SECTIONS 7-22-2101, 7-22-2109, 7-22-2110, 7-22-2111, 7-22-2117, 7-22-2123, 7-22-2124, 7-22-2130, 7-22-2142, 7-22-2146, 7-22-2150, 7-22-2151, 7-22-2152, 7-22-2153, 15-38-202, 17-5-703, 37-51-313, 37-51-313, 80-5-120, 80-7-105, 80-7-133, 80-7-801, 80-7-815, 80-7-816, AND 80-7-903, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

<u>NI</u>	NEW SECTION. Section 1. Purpose. The purpose of [sections 1 and 2] is to:				
(1) promote the production and use of certified noxious weed seed free forage, as provided in Title 80,				
chapter 7,	part 9;				
(2	(2) revitalize Montana's agriculture economy;				
(3) reduce the spread of noxious weeds throughout the state; and				
(4) assist in making certified noxious weed seed free forage economically competitive with noncertified				
forages.					

NEW SECTION. Section 2. Deduction for purchase of certified noxious weed seed free forage. In addition to all other deductions from adjusted gross individual income allowed in computing taxable income under Title 15, chapter 30, or from gross corporate income allowed in computing net income under Title 15, chapter 31, part 1, a taxpayer may deduct expenditures for certified noxious weed seed free forage if the expenditures were not otherwise deducted in computing taxable income.

NEW SECTION. Section 1. Funding -- reporting requirements -- emergency exemption. (1) (a) Before a district is eligible to receive from the state any state funding or federal funding, the district shall provide the department with a comprehensive weed management plan, AS PROVIDED IN 7-22-2121.

(b) Upon receipt of the district's comprehensive weed management plan by the department, the district may apply for and receive state funding.

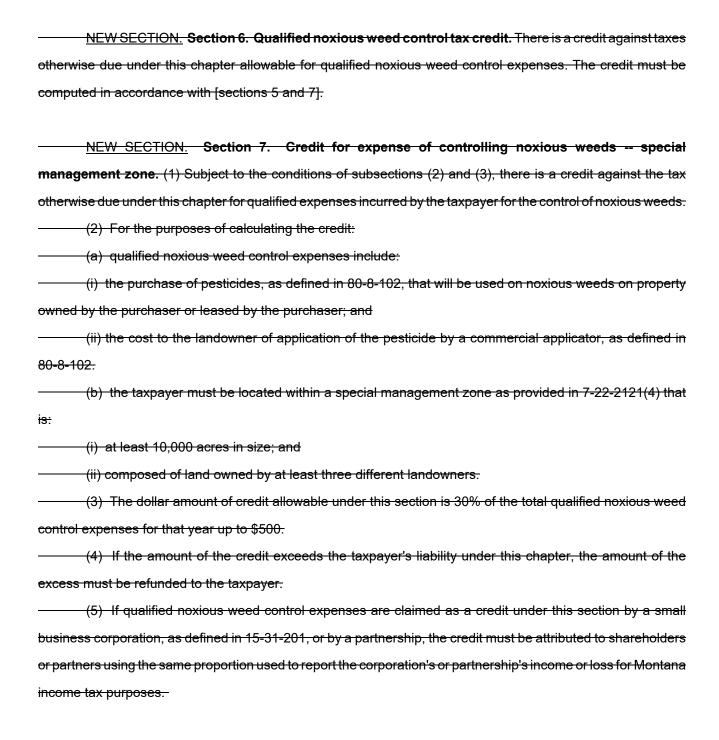
(c) A district's comprehensive weed management plan must be updated and submitted to the department every 2 years.

- (d) The department may adopt rules and procedures necessary to implement this section. The rules may not impair the ability of the district to meet its responsibilities.
- (2) The department may exempt a district from the requirements of subsection (1) if a noxious weed emergency is declared by the governor as provided in 80-7-815.

NEW CECTION Costion 4. Bononton and managet a committee The demants and all an an annual
NEW SECTION. Section 4. Department report to committee. The department shall, on an annual
basis, provide the business and labor interim committee, provided for in 5-5-223, with a report containing the
following information:
(1) progress in the development of comprehensive weed management plans by weed management
districts;
(2) the amount of funds expended;
(3) the number and types of projects funded; and
(4) the status of weed control in Montana.
NEW SECTION. Section 5. Credit for expense of controlling noxious weeds. (1) Subject to the
conditions of subsections (2) and (3), there is a credit against the tax otherwise due under this chapter for
qualified expenses incurred by the taxpayer for the control of noxious weeds.
(2) For the purposes of calculating the credit, qualified noxious weed control expenses include:
(a) the purchase of pesticides, as defined in 80-8-102, that will be used on noxious weeds on property
owned or leased by the purchaser; and
(b) the cost to the landowner of application of the pesticide by a commercial applicator, as defined in
80-8-102.
(3) The dollar amount of credit allowable under this section is 30% of the total qualified noxious weed
control expenses for that year up to \$180.
(4) If the amount of the credit exceeds the taxpayer's liability under this chapter, the amount of the
excess must be refunded to the taxpayer.
(5) If qualified noxious weed control expenses are claimed as a credit under this section by a small
business corporation, as defined in 15-31-201, or by a partnership, the credit must be attributed to shareholders

or partners using the same proportion used to report the corporation's or partnership's income or loss for Montana

income tax purposes.



NEW SECTION. Section 2. Transfer of funds. There is transferred \$400,000 \$100,000 annually from the highway nonrestricted account, provided for in 15-70-125, to the noxious weed state special revenue account, provided for in 80-7-816, for the purposes provided in [section 9 3].

NEW SECTION. Section 3. Weed management district program enhancement. (1) On an annual basis, the department shall distribute equally among Montana's 56 counties THAT HAVE ESTABLISHED A NOXIOUS WEED FUND 60% of the funds in the noxious weed state special revenue account, provided for in 80-7-816, that were collected pursuant to 15-38-202, 17-5-703, and [section 8 2] to be deposited in the county noxious weed fund as provided in 7-22-2141. Any unused portion must revert to the department for deposit in the noxious weed management trust fund established in 80-7-811.

- (2) On an annual basis, the department shall deposit 40% of the funds in the noxious weed state special revenue account, provided for in 80-7-816, that were collected pursuant to 15-38-202, 17-5-703, and [section 8 2] as principal in the noxious weed management trust fund established in 80-7-811.
- (3) The weed management districts shall use the funds on a county level to enhance noxious weed management programs.

Section 4. Section 7-22-2101, MCA, is amended to read:

"7-22-2101. Definitions. As used in this part, unless the context indicates otherwise, the following definitions apply:

- (1) "Board" means a district weed board created under 7-22-2103.
- (2) "Commissioners" means the board of county commissioners.
- (3) "Coordinator" means the person employed by the board to conduct the district noxious weed management program and supervise other district employees.
 - (3)(4) "Department" means the department of agriculture provided for in 2-15-3001.
 - (4)(5) "District" means a weed management district organized under 7-22-2102.
 - (5)(6) "Native plant" means a plant endemic to the state of Montana.
 - (6)(7) "Native plant community" means an assemblage of native plants occurring in a natural habitat.
- (7)(8) (a) "Noxious weeds" or "weeds" means any exotic plant species established or that may be introduced in the state which that may render land unfit for agriculture, forestry, livestock, wildlife, or other beneficial uses or that may harm native plant communities and that is designated:
 - (i) as a statewide noxious weed by rule of the department; or
 - (ii) as a district noxious weed by a board, following public notice of intent and a public hearing.
- (b) A weed designated by rule of the department as a statewide noxious weed must be considered noxious in every district of the state.
 - (8)(9) "Person" means an individual, partnership, corporation, association, or state or local government

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agency or subdivision owning, occupying, or controlling any land, easement, or right-of-way, including any county, state, or federally owned and controlled highway, drainage or irrigation ditch, spoil bank, barrow pit, or right-of-way for a canal or lateral.

- (9) "Supervisor" means the person employed by the board to conduct the district noxious weed management program and supervise other district employees.
- (10) "Weed management" or "control" means the planning and implementation of a coordinated program for the containment, suppression, and, where possible, eradication of noxious weeds."

Section 5. Section 7-22-2109, MCA, is amended to read:

- **"7-22-2109. Powers and duties of board.** (1) In addition to any powers or duties established in the resolution creating a district weed board, the board may:
- (a) employ a supervisor coordinator and other employees as necessary and provide for their compensation;
- (b) purchase chemicals, materials, and equipment and pay other operational costs as that it determines necessary for implementing an effective noxious weed management program. The costs must be paid from the noxious weed fund.
- (c) determine what chemicals, materials, or equipment may be made available to persons controlling weeds on their own land. The cost for the chemicals, materials, or equipment must be paid by the person and collected as provided in this part.
- (d) enter into agreements with the department for the control and eradication of any new exotic plant species not previously established in the state which that may render land unfit for agriculture, forestry, livestock, wildlife, or other beneficial use if the plant species spreads or threatens to spread into the state; and
 - (e) enter into cost-share agreements for noxious weed management;
- (f) enter into agreements with commercial applicators, as defined in 80-8-102, for the control of noxious weeds; and
 - (e)(g) perform other activities relating to weed management.
 - (2) The board shall:
 - (a) administer the district's noxious weed management program;
 - (b) establish management criteria for noxious weeds on all land within the district;
- (c) make all reasonable efforts to develop and implement a noxious weed <u>management</u> program covering all land within the district owned or administered by a federal agency."

Section 6. Section 7-22-2110, MCA, is amended to read:

"7-22-2110. Administrative hearing -- appeals. (1) A person adversely affected by any notice, action, or order of the board may request an administrative hearing before the board commissioners. The board commissioners shall hold a hearing within 30 days of the request. Participants may be represented by legal counsel. The board commissioners shall make a record of the proceeding and enter its order and findings within 7 days after the hearing.

(2) An order of the board may be appealed to the commissioners within 30 days from the time the order is entered. The commissioners shall hear such appeal within 30 days after the notice of appeal and shall render their order and findings within 7 days after such hearing. Participants may be represented by legal counsel.

(3)(2) Within 30 days after the commissioners render their order and findings, the person adversely affected may file a petition in district court requesting that the order and findings of the commissioners be set aside or modified. The court may affirm, modify, or set aside the order complained of, in whole or in part."

Section 7. Section 7-22-2111, MCA, is amended to read:

"7-22-2111. Liability restrictions. A district, as defined in 7-22-2101, is liable for damages caused by its use of herbicides only for an act or omission that constitutes gross negligence. The provisions of 2-9-305 apply to board members, supervisors coordinators, and employees of a district."

Section 8. Section 7-22-2117, MCA, is amended to read:

"7-22-2117. Violations. (1) Any person who in any manner interferes with the board or its authorized agent in carrying out the provisions of this part or who refuses to obey an order or notice of the board is <u>liable for a civil penalty in the amount of the actual cost to the board or the estimated cost of removing the noxious weeds from the impacted property in addition to any penalty imposed under 7-22-2124 guilty of a misdemeanor, and upon conviction thereof, he shall be fined not to exceed \$100 for the first offense and not less than \$100 or more than \$200 for each subsequent offense.</u>

(2) All fines, bonds, and penalties collected under the provisions of this part, except those collected by a justice's court, shall must be paid to the county treasurer of each county and placed by him to the credit of the county treasurer into a fund to be known as the noxious weed fund."

Section 9. Section 7-22-2123, MCA, is amended to read:

"7-22-2123. Procedure in case of noncompliance. (1) Where When a complaint has been made or

the board has reason to believe that noxious weeds described in this part are present upon a person's land within the district in violation of the law, that person must be notified by mail or telephone of the complaint and the board may request inspection of such the land. The board or its authorized agent and the landowner or his the landowner's representative shall inspect the land at an agreeable time, within 10 days of notification of the landowner. If after reasonable effort the board is unable to gain cooperation of the person, the board or its authorized agent may enter and inspect the land to determine if the complaint is valid.

- (2) If noxious weeds are found, the board or supervisor coordinator shall notify the person or his the person's representative and seek voluntary compliance with the district noxious weed control management program. If voluntary compliance is not possible, notice of noncompliance must be sent to the person by certified mail.
 - (3) The notice must specify:
 - (a) the basis for the determination of noncompliance;
- (b) the geographic location of the area of noncompliance, by legal description or other reasonably identifiable description;
 - (c) measures to be undertaken in order to comply with the district's management criteria;
- (d) a reasonable period of time, not less than 10 days, in which compliance measures must be initiated; and
- (e) the right of the person to request, within the time specified in subsection (3)(d), an administrative hearing as provided by 7-22-2110.
- (4) A person is considered in compliance if he the person submits and the board accepts a proposal to undertake specified control measures and is in compliance for so long as long as he the person performs according to the terms of the proposal. If the measures proposed to be taken extend beyond the current growing season, the proposal and acceptance must be in writing.
- (5) In accepting or rejecting a proposal, the board shall consider the economic impact on the person and his the person's neighbors, practical biological and environmental limitations, and alternative control methods to be used."

Section 10. Section 7-22-2124, MCA, is amended to read:

"7-22-2124. Destruction of weeds by board. (1) If corrective action is not taken and no a proposal is not made and accepted or no a request for an administrative hearing is not made within the time specified in the notice, the board may forthwith enter upon the person's land and institute appropriate control measures. In such

that case, the board shall submit a bill to the person, itemizing man-hours hours of labor, material, and equipment time, together with a penalty not exceeding 40% 50% of the total cost incurred. Labor and equipment must be valued at the current rate paid for commercial management operations in the district. The bill must specify and order a payment due date of 30 days from the date the bill is sent. The board may enter into an agreement with a commercial applicator, as defined in 80-8-102, to destroy the weeds. The commercial applicator shall agree to carry any insurance required by the board.

- (2) A copy of the bill must also be submitted by the board to the county clerk and recorder.
- (3) If a person receiving an order to take corrective action requests an administrative hearing, the board may not institute control measures until the matter is finally resolved, except in case of an emergency. In such a that case, the person is liable for costs as provided in subsection (1) only to the extent determined appropriate by the board, commissioners, or court that finally resolves the matter."

Section 11. Section 7-22-2130, MCA, is amended to read:

"7-22-2130. Weed district supervisor coordinator training. Within the limitations of available funds, the board shall ensure that the weed district supervisor coordinator obtains training to properly implement the noxious weed management program described in 7-22-2121. The department shall specify through rulemaking the level and type of training necessary to fulfill this requirement."

Section 12. Section 7-22-2142, MCA, is amended to read:

"7-22-2142. Sources of money for noxious weed fund. (1) The commissioners may create the noxious weed fund and shall MAY create a noxious weed fund to enable the board to fulfill its duties as specified in 7-22-2109.

- (2) The commissioners may provide sufficient money in the <u>noxious weed</u> fund for the board to fulfill its duties, as specified in 7-22-2109, by:
 - (a) appropriating money from the general fund of the county; and
- (b) subject to 15-10-420 and at any time fixed by law for levy and assessment of taxes, levying a tax of not less than 1.6 mills not exceeding 2 mills on the dollar of total taxable valuation in the county or by contributing an equivalent amount from another source of not less than THE AMOUNT RECEIVED FROM ALL COUNTY SOURCES IN FISCAL YEAR 2000 OR, FOR FIRST-CLASS COUNTIES, AS DEFINED IN 7-1-2111, THE GREATER OF THE AMOUNT RECEIVED FROM ALL COUNTY SOURCES IN FISCAL YEAR 2000 OR \$100,000 for first-class counties, as defined in 7-1-2111. The tax levied under this subsection must be identified on the assessment as the tax that will be used for noxious

weed control.

(c) levying a tax in excess of 2 mills if authorized by a majority of the qualified electors voting in an election held for this purpose pursuant to 7-6-2531 through 7-6-2536.

- (2)(3) The proceeds of the noxious weed control tax <u>or other contribution</u> must be used solely for the purpose of managing noxious weeds in the county and must be designated to <u>deposited in</u> the noxious weed fund.
- (3)(4) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be available for reuse within that fiscal year or any subsequent year.
- (4)(5) The commissioners may accept any private, state, or federal gifts, grants, contracts, or other funds to aid in the management of noxious weeds within the district. These funds must be placed in the noxious weed fund.
- (6) The commissioners may impose a tax for weed control within a special management zone as provided in 7-22-2121(4). The FOR THE PURPOSES OF IMPOSING THE TAX, THE special management zone boundaries must be established by the board and approved by a majority of the voters within the special management zone. The amount of the tax must be approved by a majority of the voters within the special management zone, and approval of the zone and the tax may occur simultaneously. Revenue received from a special management zone tax must be spent on weed management projects within the boundaries of the special management zone."

Section 13. Section 7-22-2146, MCA, is amended to read:

- "7-22-2146. Financial assistance to persons responsible for weed control. (1) The commissioners, upon recommendation of the board, may establish a cost-share programs with any person, specifying costs that may be paid from the noxious weed fund and costs that must be paid by the person. Cost-share programs may be established for special projects and for established management zones program for the control of noxious weeds. The board shall develop rules and procedures for the administration of the cost-share program. These procedures may include the cost-share rate or amount and for what purposes cost-share funds may be used.
- (2) (a) Any person may voluntarily enter into a cost-share agreement for the management of noxious weeds on the person's property. The coordinator shall draft a cost-share agreement in cooperation with the person. The agreement must, in the board's judgment, provide for effective weed management.
 - (b) The agreement must specify:
 - (i) costs that must be paid from the noxious weed fund;
 - (ii) costs that must be paid by the person;

(iii) a location-specific weed management plan that must be followed by the person; and (iv) reporting requirements of the person to the board.

- (c) The cost-share agreement must be signed by the person and, upon approval of the board, by the presiding officer.
- (3) The agreement must contain a statement disclaiming any liability of the board for any injuries or losses suffered by the person in managing noxious weeds under a cost-share agreement. If the board later finds that the person has failed to abide by the terms of the agreement, all cost-share payments and agreements must be canceled and the provisions of 7-22-2124 apply to that person.
- (2)(4) (a) When under the terms of any voluntary agreement, whether entered into pursuant to 7-22-2123 or otherwise, or under any cost-share program agreement entered pursuant to this section a person incurs any obligation for materials or services provided by the board, the board shall submit a bill to the person, itemizing man-hours hours of labor, material, and equipment time. The bill must specify and order a payment due date not less than 30 days from the date the bill is sent.
- (b) A copy of the bill must be submitted by the board to the county clerk and recorder. If the sum to be repaid by the person billed is not repaid on or before the date due, the county clerk and recorder shall certify the amount thereof not repaid, with the description of the land to be charged, and shall enter the sum on the assessment list as a special tax on the land, to be collected in the manner provided in 7-22-2148.
- (5) Any person who applies for but does not receive a cost-share agreement, for reasons other than inability or unwillingness to comply with the board's cost-share procedures, is required to pay any bill sent to the person pursuant to 7-22-2124, minus the cost-share amount that the person would have received had the person received cost-share assistance. The person is not required to pay any penalty under 7-22-2124."

Section 14. Section 7-22-2150, MCA, is amended to read:

"7-22-2150. Cooperation with state and federal-aid programs. The board is empowered to may cooperate with any state or federal-aid program that becomes available: if the district complies with [section 3 1]. Under such a plan of cooperation, the direction of the program shall must be under the direct supervision of the board of the district in which the program operates."

Section 15. Section 7-22-2151, MCA, is amended to read:

"7-22-2151. Cooperative agreements. (1) A state agency that controls land within a district, including the department of transportation; the department of fish, wildlife, and parks; the department of corrections; the

department of natural resources and conservation; and the university system, shall enter into a written agreement with the board. The agreement must specify mutual responsibilities for integrated noxious weed management on state-owned or state-controlled land within the district. The agreement must include the following:

- (a) a 6-year integrated noxious weed management plan, which must be updated biennially;
- (b) a noxious weed management goals statement;
- (c) a specific plan of operations for the biennium, including a budget to implement the plan; and
- (d) a provision requiring a biennial performance report by the board to the state weed coordinator in the department of agriculture, on a form to be provided by the state weed coordinator, regarding the success of the plan.
- (2) The board and the governing body of each incorporated municipality within the district shall enter into a written agreement and shall cooperatively plan for the management of noxious weeds within the boundaries of the municipality by January 1, 2002. The board may implement management procedures described in the plan within the boundaries of the municipality for noxious weeds only. Control of nuisance weeds within the municipality remains the responsibility of the governing body of the municipality, as specified in 7-22-4101.
- (3) A board may develop and carry out its noxious weed management program in cooperation with boards of other districts, with state and federal governments and their agencies, or with any person within the district. The board may enter into cooperative agreements with any of these parties.
- (4) Each agency or entity listed in subsection (1) shall submit a statement or summary of all noxious weed actions that are subject to the agreement required under subsection (1) to the state weed coordinator and shall post a copy of the statement or summary on the <u>a</u> state <u>bulletin board</u> <u>electronic access system</u>."

Section 16. Section 7-22-2152, MCA, is amended to read:

"7-22-2152. Revegetation of rights-of-way and disturbed areas that have potential for noxious weed infestation. (1) Any person or state agency or local government unit approving proposing a mine, a major facility under Title 75, chapter 20, an electric, communication, gas, or liquid transmission line, a solid waste facility, a highway or road, a subdivision, a commercial, industrial, or government development, or any other development resulting that needs state or local approval and that results in the potential for noxious weed infestation significant disturbance of land within a district shall notify the board at least 15 days prior to the activity.

(2) Whenever any person or agency disturbs vegetation on an easement or right-of-way within a district by construction of constructs a road, an irrigation or drainage ditch, a pipeline, an electric, communication, gas, or liquid transmission line, or any other development, on an easement or right-of-way, the board shall require that

the disturbed areas be seeded, planted, or otherwise managed to reestablish a cover of beneficial plants.

(3) (a) The person or agency disturbing the land committing the action shall submit to the board a written plan specifying the methods to be used to accomplish revegetation at least 15 days prior to the activity. The plan must describe the time and method of seeding, fertilization practices, recommended plant species, use of weed-free seed, and the weed management procedures to be used.

(b) The plan is subject to approval by the board, which may require revisions to bring the revegetation plan into compliance with the district weed management plan. Upon approval by the board, the revegetation plan must be signed by the chairman of the board and the person or agency responsible for the disturbance and constitutes a binding agreement between the board and such person or agency. The activity for which notice is given may not occur until the plan is approved by the board and signed by the presiding officer of the board and by the person or a representative of the agency responsible for the action. The signed plan constitutes a binding agreement between the board and the person or agency. The PLAN MUST BE APPROVED, WITH REVISIONS IF NECESSARY, WITHIN 10 DAYS OF RECEIPT BY THE BOARD."

Section 17. Section 7-22-2153, MCA, is amended to read:

"7-22-2153. Voluntary agreements for control of noxious weeds along roads -- liability of landowner who objects to weed district control measures -- penalties. (1) Any person may voluntarily seek to enter into an agreement for the management of noxious weeds along a state or county highway or road bordering or running through the person's land. The <u>supervisor coordinator</u> may draft a voluntary agreement upon the request of and in cooperation with the person. However, the agreement must, in the board's judgment, provide for effective weed management. The weed management agreement must be signed by the person and, upon approval of the board, by the presiding officer. An agreement involving a state highway right-of-way must also be signed by a representative of the department of transportation.

- (2) The agreement must contain a statement disclaiming any liability of the board and, if applicable, the department of transportation for any injuries or losses suffered by the person in managing noxious weeds on the state or county highway right-of-way. The signed agreement transfers responsibility for managing noxious weeds on the specified section of right-of-way from the board to the person signing the agreement. If the board later finds that the person has failed to adhere to the agreement, the board shall issue an order informing the person that the agreement will be void and that responsibility for the management of noxious weeds on the right-of-way will revert to the board unless the person complies with the provisions of the agreement within a specified time period.
 - (3) (a) If a person objects to weed control measures bordering a state or county highway right-of-way

and does not enter a voluntary agreement pursuant to subsections (1) and (2) and if the board finds that the person has failed to provide alternative weed control, the board shall issue an order informing the person that the management of noxious weeds on the right-of-way will be undertaken by the board unless the person provides alternative weed control within 30 days.

(b) A person who does not provide alternative weed control within the time specified in subsection (3)(a) is guilty of a misdemeanor and, upon conviction, shall be sentenced pursuant to 46-18-212 and assessed the costs of weed control provided by the board. A second or subsequent conviction is punishable by a fine of not less than \$500 or more than \$2,000, plus the costs of weed control provided by the board."

Section 24. Section 15-38-202, MCA, is amended to read:
"15-38-202. (Temporary) Investment of resource indemnity trust fund expenditure minimum
balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under
the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only
the net earnings may be appropriated and expended until the fund reaches \$100 million. Thereafter, all net
earnings and all receipts may be appropriated by the legislature and expended, provided that the balance in the
fund may never be less than \$100 million.
(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource
indemnity trust fund:
(i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the
renewable resource grant and loan program state special revenue account to support the operations of the
environmental science-water quality instructional programs at Montana state university-northern, to be used for
support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and
for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection
(2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a nonexpendable
trust account, the income from which may be used for the purposes provided in this subsection.
(ii) \$2 \$1.75 million to be deposited into the renewable resource grant and loan program state special
revenue account, created by 85-1-604, for the purpose of making grants;
(iii) \$1.5 \$1.25 million to be deposited into the reclamation and development grants special revenue
account, created by 90-2-1104, for the purpose of making grants; and
(iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.; and
(v) \$500,000 to be deposited into the noxious weed state special revenue account, created by 80-7-816,

for the purposes of [section 9]. (b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund: (i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101; (ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and (iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631. (c) The remainder of the interest income is allocated as follows: (i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604. (ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621. (iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104. (iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704. (3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. 15-38-202. (Effective July 1, 2001) Investment of resource indemnity trust fund -- expenditure -minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings may be appropriated and expended until the fund reaches \$100 million. Thereafter, all net earnings and all receipts may be appropriated by the legislature and expended, provided that the balance in the fund may never be less than \$100 million. (2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund: (i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the

renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a nonexpendable trust account, the income from which may be used for the purposes provided in this subsection. (ii) \$2 \$1.75 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants; (iii) \$1.5 \$1.25 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; (iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905; and (v) \$500,000 to the department of fish, wildlife, and parks for the purposes of 87-1-283. The future fisheries review panel shall approve and fund qualified mineral reclamation projects before other types of qualified projects.; and (vi) \$500,000 to be deposited into the noxious weed state special revenue account, created by 80-7-816, for the purposes of [section 9]. (b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund: (i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101; (ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and (iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631. (c) The remainder of the interest income is allocated as follows: (i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604. (ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621. (iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated

(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the

to the reclamation and development grants account provided for in 90-2-1104.

environmental quality protection fund provided for in 75-10-704. (3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. (Terminates July 1, 2009--sec. 9, Ch. 529, L. 1999.) 15-38-202. (Effective July 1, 2009) Investment of resource indemnity trust fund -- expenditure -minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings may be appropriated and expended until the fund reaches \$100 million. Thereafter, all net earnings and all receipts may be appropriated by the legislature and expended, provided that the balance in the fund may never be less than \$100 million. (2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund: (i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a nonexpendable trust account, the income from which may be used for the purposes provided in this subsection. (ii) \$2 \$1.75 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants; (iii) \$1.5 \$1.25 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; and (iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.; and (v) \$500,000 to be deposited into the noxious weed state special revenue account, created by 80-7-816, for the purposes of [section 9].

indemnity trust fund:

(b) At the beginning of each biennium, there is allocated from the interest income of the resource

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the
conditions of 75-1-1101;
(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant
to the conditions of 82-11-161; and
(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.
(c) The remainder of the interest income is allocated as follows:
(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the
renewable resource grant and loan program state special revenue account created by 85-1-604.
(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to
the hazardous waste/CERCLA special revenue account provided for in 75-10-621.
(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated
to the reclamation and development grants account provided for in 90-2-1104.
(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the
environmental quality protection fund provided for in 75-10-704.
(3) Any formal budget document prepared by the legislature or the executive branch that proposes to
appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of
money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal
budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced
bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session.
(Terminates June 30, 2014sec. 5, Ch. 497, L. 1999.)
15-38-202. (Effective July 1, 2014) Investment of resource indemnity trust fund expenditure
minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the
fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of
investments. Only the net earnings may be appropriated and expended until the fund reaches \$100 million.
Thereafter, all net earnings and all receipts may be appropriated by the legislature and expended, provided that
the balance in the fund may never be less than \$100 million.
(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource
indemnity trust fund:
(i) \$2 \$1.75 million to be deposited into the renewable resource grant and loan program state special
revenue account, created by 85-1-604, for the purpose of making grants;
(ii) \$1.5 <u>\$1.25</u> million to be deposited into the reclamation and development grants special revenue

account, created by 90-2-1104, for the purpose of making grants; and
(iii) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.; and
(iv) \$500,000 to be deposited into the noxious weed state special revenue account, created by 80-7-816,
for the purposes of [section 9].
(b) At the beginning of each biennium, there is allocated from the interest income of the resource
indemnity trust fund:
(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the
conditions of 75-1-1101;
(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant
to the conditions of 82-11-161; and
(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.
(c) The remainder of the interest income is allocated as follows:
(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the
renewable resource grant and loan program state special revenue account created by 85-1-604.
(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to
the hazardous waste/CERCLA special revenue account provided for in 75-10-621.
(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated
to the reclamation and development grants account provided for in 90-2-1104.
(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the
environmental quality protection fund provided for in 75-10-704.
(3) Any formal budget document prepared by the legislature or the executive branch that proposes to
appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of
money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal
budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced
bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session."
Caption 25 Caption 17 5 702 MCA is amonded to read:
Section 25. Section 17-5-703, MCA, is amended to read:
"17-5-703. (Temporary) Coal severance tax trust funds. (1) The trust established under Article IX,
section 5, of the Montana constitution is composed of the following funds:
(a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal
severance tax must be deposited;

57th Legislature SB0326.03 (b) a treasure state endowment fund; (c) a treasure state endowment regional water system fund; (d) a coal severance tax permanent fund; (e) a coal severance tax income fund; and (f) a coal severance tax school bond contingency loan fund. (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12 months and retain that amount in the coal severance tax bond fund. (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection (2)(a) must be transferred from that fund as provided in subsections (3) through (5). (3) (a) On January 21, 1992, and continuing as long as any school district bonds secured by state loans under 20-9-466 are outstanding, the state treasurer shall from time to time and as provided in subsection (3)(b) transfer from the coal severance tax bond fund to the coal severance tax school bond contingency loan fund any amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund. (b) The state treasurer shall transfer the amount referred to in subsection (3)(a) until and unless the balance in the coal severance tax school bond contingency loan fund is equal to the amount due as principal of and interest on the school district bonds secured by state loans under 20-9-466 during the next following 12 months. (4) (a) Beginning July 1, 1993, and ending June 30, 2013, the state treasurer shall quarterly transfer to the treasure state endowment fund 75% of the amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund and in excess of amounts that are transferred pursuant to subsection (3). (b) Beginning July 1, 1999, and ending June 30, 2013, the state treasurer shall quarterly transfer to the treasure state endowment regional water system fund 25% of the amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund and in excess of amounts that are transferred pursuant to subsection (3).

(c) The state treasurer shall monthly transfer from the treasure state endowment fund:

(i) to the noxious weed state special revenue account, provided for in 80-7-816, for the purposes of [section 9], the amount of available earnings until a total of \$250,000 is transferred annually; and

(ii) all remaining revenue to the treasure state endowment special revenue account the amount of

earnings required to meet the obligations of the state that are payable from the account in accordance with

90-6-710. Earnings not transferred to the treasure state endowment special revenue account or the noxious weed state special revenue account must be retained in the treasure state endowment fund. (d) The state treasurer shall monthly transfer from the treasure state endowment regional water system fund to the treasure state endowment regional water system special revenue account the amount of earnings required to meet the obligations of the state that are payable from the account for regional water systems authorized under 90-6-715. Earnings not transferred to the treasure state endowment regional water system special revenue account must be retained in the treasure state endowment regional water system fund. (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be deposited in the coal severance tax permanent fund. (Terminates June 30, 2013--sec. 6, Ch. 495, L. 1999.) 17-5-703. (Effective July 1, 2013) Coal severance tax trust funds. (1) The trust established under Article IX, section 5, of the Montana constitution is composed of the following funds: (a) a coal severance tax bond fund into which the constitutionally dedicated receipts from the coal severance tax must be deposited; (b) a treasure state endowment fund; (c) a coal severance tax permanent fund; (d) a coal severance tax income fund; and (e) a coal severance tax school bond contingency loan fund. (2) (a) The state treasurer shall determine, on July 1 of each year, the amount necessary to meet all principal and interest payments on bonds payable from the coal severance tax bond fund during the next 12 months and retain that amount in the coal severance tax bond fund. (b) The amount in the coal severance tax bond fund in excess of the amount required in subsection (2)(a) must be transferred from that fund as provided in subsections (3) through (5). (3) (a) On January 21, 1992, and continuing as long as any school district bonds secured by state loans under 20-9-466 are outstanding, the state treasurer shall from time to time and as provided in subsection (3)(b) transfer from the coal severance tax bond fund to the coal severance tax school bond contingency loan fund any amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund. (b) The state treasurer shall transfer the amount referred to in subsection (3)(a) until and unless the

balance in the coal severance tax school bond contingency loan fund is equal to the amount due as principal of

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and interest on the school district bonds secured by state loans under 20-9-466 during the next following 12 months. (4) (a) Beginning July 1, 1993, and ending June 30, 2013, the state treasurer shall quarterly transfer to the treasure state endowment fund 50% of the amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2) to be retained in the fund and in excess of amounts that are transferred pursuant to subsection (3). (b) The state treasurer shall monthly transfer from the treasure state endowment fund: (i) to the noxious weed state special revenue account, provided for in 80-7-816, for the purposes of [section 9], the amount of available earnings until a total of \$250,000 is transferred annually; and (ii) all remaining revenue to the treasure state endowment special revenue account the amount of earnings required to meet the obligations of the state that are payable from the account in accordance with 90-6-710. Earnings not transferred to the treasure state endowment special revenue account or the noxious weed state special revenue account must be retained in the treasure state endowment fund. (5) Any amount in the coal severance tax bond fund in excess of the amount that is specified in subsection (2)(a) to be retained in the fund and that is not otherwise allocated under this section must be deposited in the coal severance tax permanent fund." Section 26. Section 37-51-313, MCA, is amended to read: <u>"37-51-313. Duties, duration, and termination of relationship between broker or salesperson and </u> buyer or seller. (1) The provisions of this chapter and the duties described in this section govern the relationships between brokers or salespersons and buyers or sellers and are intended to replace the duties of agents as provided elsewhere in state law and replace the common law as applied to these relationships. The terms "buyer agent", "dual agent" and "seller agent", as used in this chapter, are defined in 37-51-102 and are not related to the term "agent" as used elsewhere in state law. The duties of a broker or salesperson vary depending upon the relationship with a party to a real estate transaction and are as provided in this section. (2) A seller agent is obligated to the seller to: (a) act solely in the best interests of the seller; (b) obey promptly and efficiently all lawful instructions of the seller; (c) disclose all relevant and material information that concerns the real estate transaction and that is known to the seller agent and not known or discoverable by the seller, unless the information is subject to confidentiality arising from a prior or existing agency relationship on the part of the seller agent;

57th Legislature SB0326.03 (d) safeguard the seller's confidences; (e)exercise reasonable care, skill, and diligence in pursuing the seller's objectives and in complying with the terms established in the listing agreement; (f) fully account to the seller for any funds or property of the seller that comes into the seller agent's possession; and (g) comply with all applicable federal and state laws, rules, and regulations. (3) A seller agent is obligated to the buyer to: (a) disclose to a buyer or the buyer agent any adverse material facts that concern the property and that are known to the seller agent, including the presence of plant species that are designated as noxious weeds as defined in 7-22-2101(8)(a), except that the seller agent is not required to inspect the property or verify any statements made by the seller; (b) disclose to a buyer or the buyer agent when the seller agent has no personal knowledge of the veracity of information regarding adverse material facts that concern the property; (c) act in good faith with a buyer and a buyer agent; and (d) comply with all applicable federal and state laws, rules, and regulations. (4) A buyer agent is obligated to the buyer to: (a) act solely in the best interests of the buyer; (b) obey promptly and efficiently all lawful instructions of the buyer; (c) disclose all relevant and material information that concerns the real estate transaction and that is known to the buyer agent and not known or discoverable by the buyer, unless the information is subject to confidentiality arising from a prior or existing agency relationship on the part of the buyer agent; (d) safeguard the buyer's confidences; (e) exercise reasonable care, skill, and diligence in pursuing the buyer's objectives and in complying with the terms established in the buyer broker agreement; (f) fully account to the buyer for any funds or property of the buyer that comes into the buyer agent's possession; and (g) comply with all applicable federal and state laws, rules, and regulations.

- (5) A buyer agent is obligated to the seller to:
- (a) disclose any adverse material facts that are known to the buyer agent and that concern the ability of the buyer to perform on any purchase offer;
- (b) disclose to the seller or the seller agent when the buyer agent has no personal knowledge of the

veracity of information regarding adverse material facts that concern the property;
(c) act in good faith with a seller and a seller agent; and
(d) comply with all applicable federal and state laws, rules, and regulations.
(6) A statutory broker is not the agent of the buyer or seller but nevertheless is obligated to them to:
(a) disclose to:
(i) a buyer or a buyer agent any adverse material facts that concern the property and that are known to
the statutory broker, except that the statutory broker is not required to inspect the property or verify an
statements made by the seller;
(ii) a seller or a seller agent any adverse material facts that are known to the statutory broker and that
concern the ability of the buyer to perform on any purchase offer;
(b) exercise reasonable care, skill, and diligence in putting together a real estate transaction; and
(c) comply with all applicable federal and state laws, rules, and regulations.
(7) A dual agent is obligated to a seller in the same manner as a seller agent and is obligated to a buye
in the same manner as a buyer agent under this section, except as follows:
(a) a dual agent has a duty to disclose to a buyer or seller any adverse material facts that are known to
the dual agent, regardless of any confidentiality considerations; and
(b) a dual agent may not disclose the following information without the written consent of the person t
whom the information is confidential:
(i) the fact that the buyer is willing to pay more than the offered purchase price;
(ii) the fact that the seller is willing to accept less than the purchase price that the seller is asking for th
property;
(iii) factors motivating either party to buy or sell; and
(iv) any information that a party indicates in writing to the dual agent is to be kept confidential.
(8) (a) The agency relationship of a buyer agent, seller agent, or dual agent continues until the earlies
of the following dates:
(i) completion of performance by the agent;
(ii) the expiration date agreed to in the listing agreement or buyer broker agreement; or
(iii) the occurrence of any authorized termination of the listing agreement or buyer broker agreement.
(b) A statutory broker's relationship continues until the completion, termination, or abandonment of the
real estate transaction giving rise to the relationship.
(9) Upon termination of an agency relationship, a broker or salesperson does not have any further dutie

to the principal, except as follows:

(a) to account for all money and property of the principal;

(b) to keep confidential all information received during the course of the agency relationship that was made confidential at the principal's direction, except for:

(i) subsequent conduct by the principal that authorizes disclosure;

(ii) disclosure required by law or to prevent the commission of a crime;

(iii) the information being disclosed by someone other than the broker or salesperson; and

(iv) the disclosure of the information being reasonably necessary to defend the conduct of the broker or salesperson, including employees, independent contractors, and subagents.

(10) Consistent with the licensee's duties as a buyer agent, a seller agent, a dual agent, or a statutory broker, a licensee shall endeavor to ascertain all pertinent facts concerning each property in any transaction in which the licensee acts so that the licensee may fulfill the obligation to avoid error, exaggeration, misrepresentation, or concealment of pertinent facts."

SECTION 18. SECTION 37-51-313, MCA, IS AMENDED TO READ:

"37-51-313. Duties, duration, and termination of relationship between broker or salesperson and buyer or seller. (1) The provisions of this chapter and the duties described in this section govern the relationships between brokers or salespersons and buyers or sellers and are intended to replace the duties of agents as provided elsewhere in state law and replace the common law as applied to these relationships. The terms "buyer agent", "dual agent" and "seller agent", as used in this chapter, are defined in 37-51-102 and are not related to the term "agent" as used elsewhere in state law. The duties of a broker or salesperson vary depending upon the relationship with a party to a real estate transaction and are as provided in this section.

- (2) A seller agent is obligated to the seller to:
- (a) act solely in the best interests of the seller;
- (b) obey promptly and efficiently all lawful instructions of the seller;
- (c) disclose all relevant and material information that concerns the real estate transaction and that is known to the seller agent and not known or discoverable by the seller, unless the information is subject to confidentiality arising from a prior or existing agency relationship on the part of the seller agent;
 - (d) safeguard the seller's confidences;
- (e) exercise reasonable care, skill, and diligence in pursuing the seller's objectives and in complying with the terms established in the listing agreement;

(f) fully account to the seller for any funds or property of the seller that comes into the seller agent's possession; and

- (g) comply with all applicable federal and state laws, rules, and regulations.
- (3) A seller agent is obligated to the buyer to:
- (a) disclose to a buyer or the buyer agent any adverse material facts that concern the property and that are known to the seller agent, including on parcels of land 1 acre or larger in size the presence of plant species that are designated as noxious weeds, as defined in 7-22-2101(8)(a), except that the seller agent is not required to inspect the property or verify any statements made by the seller;
- (b) disclose to a buyer or the buyer agent when the seller agent has no personal knowledge of the veracity of information regarding adverse material facts that concern the property;
 - (c) act in good faith with a buyer and a buyer agent; and
 - (d) comply with all applicable federal and state laws, rules, and regulations.
 - (4) A buyer agent is obligated to the buyer to:
 - (a) act solely in the best interests of the buyer;
 - (b) obey promptly and efficiently all lawful instructions of the buyer;
- (c) disclose all relevant and material information that concerns the real estate transaction and that is known to the buyer agent and not known or discoverable by the buyer, unless the information is subject to confidentiality arising from a prior or existing agency relationship on the part of the buyer agent;
 - (d) safeguard the buyer's confidences;
- (e) exercise reasonable care, skill, and diligence in pursuing the buyer's objectives and in complying with the terms established in the buyer broker agreement;
- (f) fully account to the buyer for any funds or property of the buyer that comes into the buyer agent's possession; and
 - (g) comply with all applicable federal and state laws, rules, and regulations.
 - (5) A buyer agent is obligated to the seller to:
- (a) disclose any adverse material facts that are known to the buyer agent and that concern the ability of the buyer to perform on any purchase offer;
- (b) disclose to the seller or the seller agent when the buyer agent has no personal knowledge of the veracity of information regarding adverse material facts that concern the property;
 - (c) act in good faith with a seller and a seller agent; and
 - (d) comply with all applicable federal and state laws, rules, and regulations.

(6) A seller is obligated to the seller agent to disclose the presence of plant species that are designated as noxious weeds, as defined in 7-22-2101(8)(a), on parcels of land 1 acre or larger in size if the presence of noxious weeds on the property is known to the seller.

- $\frac{(6)}{(7)}$ A statutory broker is not the agent of the buyer or seller but nevertheless is obligated to them to:
- (a) disclose to:
- (i) a buyer or a buyer agent any adverse material facts that concern the property and that are known to the statutory broker, except that the statutory broker is not required to inspect the property or verify any statements made by the seller;
- (ii) a seller or a seller agent any adverse material facts that are known to the statutory broker and that concern the ability of the buyer to perform on any purchase offer;
 - (b) exercise reasonable care, skill, and diligence in putting together a real estate transaction; and
 - (c) comply with all applicable federal and state laws, rules, and regulations.
- (7)(8) A dual agent is obligated to a seller in the same manner as a seller agent and is obligated to a buyer in the same manner as a buyer agent under this section, except as follows:
- (a) a dual agent has a duty to disclose to a buyer or seller any adverse material facts that are known to the dual agent, regardless of any confidentiality considerations; and
- (b) a dual agent may not disclose the following information without the written consent of the person to whom the information is confidential:
 - (i) the fact that the buyer is willing to pay more than the offered purchase price;
- (ii) the fact that the seller is willing to accept less than the purchase price that the seller is asking for the property;
 - (iii) factors motivating either party to buy or sell; and
 - (iv) any information that a party indicates in writing to the dual agent is to be kept confidential.
- (8)(9) (a) The agency relationship of a buyer agent, seller agent, or dual agent continues until the earliest of the following dates:
 - (i) completion of performance by the agent;
 - (ii) the expiration date agreed to in the listing agreement or buyer broker agreement; or
 - (iii) the occurrence of any authorized termination of the listing agreement or buyer broker agreement.
- (b) A statutory broker's relationship continues until the completion, termination, or abandonment of the real estate transaction giving rise to the relationship.
 - (9)(10) Upon termination of an agency relationship, a broker or salesperson does not have any further

duties to the principal, except as follows:

- (a) to account for all money and property of the principal;
- (b) to keep confidential all information received during the course of the agency relationship that was made confidential at the principal's direction, except for:
 - (i) subsequent conduct by the principal that authorizes disclosure;
 - (ii) disclosure required by law or to prevent the commission of a crime;
 - (iii) the information being disclosed by someone other than the broker or salesperson; and
- (iv) the disclosure of the information being reasonably necessary to defend the conduct of the broker or salesperson, including employees, independent contractors, and subagents.
- (10)(11) Consistent with the licensee's duties as a buyer agent, a seller agent, a dual agent, or a statutory broker, a licensee shall endeavor to ascertain all pertinent facts concerning each property in any transaction in which the licensee acts so that the licensee may fulfill the obligation to avoid error, exaggeration, misrepresentation, or concealment of pertinent facts."
 - Section 19. Section 80-5-120, MCA, is amended to read:
- **"80-5-120. Definitions.** As used in this chapter, unless the context requires otherwise, the following definitions apply:
- (1) "Advertisement" means a representation, other than a representation on the label, that is disseminated by any means and that relates to seed governed by the provisions of this chapter.
- (2) "Agricultural seeds" means the seeds of grass, forage, cereal, fiber crops, and any other kinds of seeds commonly recognized within this state as agricultural seeds. The term includes lawn seeds and mixtures of seeds.
- (3) "Approximate percentage" and "approximate number" mean the percentage or number with the variations above and below that value as allowed according to the tolerance limits defined in the rules for seed testing adopted by the association of official seed analysts.
 - (4) "Bulk" means not packaged in separate units.
 - (5) "Certifying agency" means:
- (a) an agency authorized under the laws of a state, territory, or possession of the United States to officially certify seed and that has standards and procedures to ensure the genetic purity and identity of the seed certified; or
 - (b) an agency of a foreign country determined by the department to adhere to procedures and standards

for seed certification that are comparable to those adhered to generally by the seed certifying agencies described in subsection (5)(a).

- (6) "Conditioning" means drying, cleaning, scarifying, and other operations that could change the purity or germination of a seed and require the seed lot to be retested to determine labeling.
- (7) "Controlling the pollination" means to use a method of hybridization that will produce pure seed that is at least 75% hybrid seed.
- (8) "Dormant" means viable seeds, excluding hard seeds, that fail to germinate when provided the specified germination conditions for the seed in question.
- (9) "Flower seeds" means seeds of herbaceous plants grown for their blooms, ornamental foliage, or other ornamental parts and that are commonly known and sold under the name of flower seeds in this state.
- (10) "Genuine grower declaration" means a statement signed by the grower that indicates, for each lot of seed, the lot number, kind, variety, origin, weight, year of production, date, and destination of shipment.
- (11) "Germination" means the emergence and development from the seed embryo as evidence of vitality when the seeds are subjected to the proper moisture and temperature conditions with proper aeration for the customary length of time for each specific kind of seed, as specified in the rules for seed testing adopted by the association of official seed analysts.
- (12) "Hard seeds" means seeds that remain hard at the end of the prescribed test period because they have not absorbed water because of an impermeable seed coat.
- (13) "Hybrid", as the term applies to varieties of seed, means the first generation seed of a cross produced by controlling the pollination and by combining:
 - (a) two or more inbred lines;
 - (b) one inbred or a single cross with an open pollinated variety; or
- (c) two or more selected clones, seed lines, varieties, or species except open-pollinated varieties of corn (Zea mays). The second generation of subsequent generations from those crosses may not be regarded as hybrids. Hybrid designations must be treated as variety names.
- (14) "Indigenous seeds" means the seeds of those plants that are naturally adapted to an area where the intended use is for revegetation of disturbed sites. These plants include grasses, forbs, shrubs, and legumes.
- (15) "Inert matter" means all matter that is not seed, including broken seeds, sterile florets, chaff, fungus bodies, and stones as determined by methods defined by the association of official seed analysts.
- (16) "Kind" means one or more related species or subspecies that are known singly or collectively by one common name, such as corn, oats, alfalfa, and timothy.

(17) "Labeling" means a tag or other device, attached to or written, stamped, or printed on a container or accompanying a lot of bulk seeds, that purports to set forth the information required on the seed label under 80-5-123 and that may include any other information relating to the labeled seed.

- (18) "Lot" means a definite quantity of seed identified by a lot number or other mark, every portion of which is uniform within recognized tolerances for the factors that appear in the labeling.
- (19) "Mixture" means seed consisting of more than one kind, each in excess of 5% by weight of the whole.
- (20) "Montana certified seed grower" means a member of an authorized Montana seed certifying agency who has consented to produce seed under the rules for certified classes of seed, with respect to the maintenance of genetic purity and variety identity, set forth by the establishing agency.
- (21) "Other crop seeds" means any agricultural, vegetable, or flower seeds other than the kind or variety of seed or the mixture of seeds included as pure seed.
 - (22) "Person" means an individual, firm, partnership, corporation, or association.
- (23) "Prohibited noxious weed seeds" means the seeds of plant species <u>that are</u> designated as noxious weeds under <u>as defined in 7-22-2101(7)(a)(i)(8)(a)(i)</u>.
- (24) "Protected variety" means a variety for which a certificate has been issued by the United States plant variety protection office or for which an application for protection has been filed granting the owner or the owner's authorized agent exclusive rights in the sale and distribution of the variety.
- (25) "Pure live seed" means the product of the percentage of germination plus hard seed or dormant seed multiplied by the percentage of pure seed, divided by 100, with the result expressed as a whole number.
- (26) "Pure seed" means seed exclusive of inert matter and all other seeds not of the seed being considered, as determined by methods defined by the association of official seed analysts.
- (27) "Restricted weed seeds" means the seeds of any plant that may adversely affect agriculture or the environment and that are designated as restricted weed seeds under rules adopted by the department.
- (28) "Screening" means chaff, sterile florets, immature seed, weed seed, inert matter, and any other materials removed from seed by any kind of cleaning or conditioning.
- (29) "Seed conditioning plant" means a place of business, whether a permanent or portable facility, that conditions seeds.
 - (30) "Seed dealer" means a person who sells seeds.
- (31) "Seed labeler" means a person affixing labels to seeds, with that person's name, address, and other information as required in 80-5-123.

(32) "Sell" means to offer for sale, expose for sale, have in possession for sale, exchange, barter, or trade. The term includes furnishing agricultural seed to growers for the production of a crop on contract.

- (33) "Stop sale" means an administrative order provided by law that restrains the sale, use, disposition, and movement of a definite amount of seed.
- (34) "Treated" means that seed has received an application of a substance or has been subjected to a process for which a claim is made.
- (35) "Type" means a group of varieties so nearly similar that the individual varieties cannot be clearly differentiated except under special conditions.
 - (36) "Variety" means a subdivision of a kind that is:
- (a) distinct, in the sense that the variety can be differentiated by one or more identifiable morphological, physiological, or other characteristics from all other varieties known publicly;
- (b) uniform, in the sense that the variations in essential and distinctive characteristics are describable; and
- (c) stable, in the sense that the variety will remain unchanged in its essential and distinctive characteristics and its uniformity when reproduced or reconstituted as required by the different categories of varieties.
- (37) "Vegetable seeds" means seeds of those crops that are or may be grown in gardens or on truck farms and are or may be sold generally under the name of vegetable seeds or herbs.
- (38) "Viable" means that seeds are capable of producing a normal seedling under optimum growing conditions after all forms of dormancy have been overcome, if present.
- (39) "Weed seeds" means the seeds of all plants generally recognized as weeds within this state and includes noxious weed seeds."

Section 20. Section 80-7-105, MCA, is amended to read:

- **"80-7-105. Definitions.** Unless the context requires otherwise, in this chapter, the following definitions apply:
 - (1) "Firm" means an individual, company, partnership, association, or corporation.
- (2) "Nursery" means the business or location where nursery stock is grown or offered for sale, or as part of a landscape service.
- (3) "Nursery stock" means botanically classified plants or parts of plants. The following plants and plant materials may not be considered nursery stock:

- (a) aquatic plants used for aquarium purposes;
- (b) field crop plants and seeds;
- (c) pasture grasses;
- (d) cut plants not for propagation;
- (e) corms, tubers, and bulbs;
- (f) fruits or vegetables for human or animal consumption;
- (g) cut trees and products for processing; and
- (h) plant debris for disposal or processing.
- (4) "Nursery stock certification" means the process whereby by which the nursery stock or other plants have been inspected and found to meet certification standards established by department rule.
- (5) "Plant inspection certificate" means a document issued by the department or the plant pest regulatory agency of another state that declares that the nursery stock, plants, or plant material grown by the firm named on the certificate is apparently free of injurious plant pests.
- (6) "Plant pest" means an insect, fungus, virus, bacteria, or other organism that can directly or indirectly injure or cause damage in a plant or a product of a plant and that meets the criteria as a pest established by department rule. For purposes of this chapter, noxious weeds, as defined in 7-22-2101(7)(a)(i)(8)(a)(i), or other exotic weeds are defined as plant pests."

Section 21. Section 80-7-133, MCA, is amended to read:

"80-7-133. Acts made unlawful -- penalty. (1) It is unlawful for a firm to:

- (a) fail to properly identify nursery stock offered for sale at retail. Identification must include but is not limited to the common name and variety. Each nursery plant offered for sale as a separate plant must be identified. A single means of identification is allowed on each bundle of bare root seedlings, liners, or hedging grade nursery stock.
- (b) falsely represent or misrepresent the name, age, variety, or class of any nursery stock sold or offered for sale;
- (c) falsely represent or state that any nursery stock offered for sale, sold, or delivered was grown in or came from a certain nursery or locality, when in fact the nursery stock was grown in or came from another location or nursery;
- (d) deceive or defraud any firm in the sale of any nursery stock by substituting inferior or different varieties or ages from those ordered;

(e) willfully or intentionally bring into this state, offer for sale or distribution within this state, or ship, sell, or deliver upon any sale any nursery stock that is infected or infested with a plant pest dangerous to the horticultural interests of the state; or

- (f) sell or distribute nursery stock or cut decorative or aquarium plants declared to be noxious weeds under as defined in 7-22-2101(7)(a)(i)(8)(a)(i).
- (2) In case of misrepresentation, false representation, deceit, fraud, substitution, or sale and distribution of noxious weeds, the firm is subject to punishment as provided in 80-7-135 and is liable to a party damaged or injured, to the extent of all damages sustained, to be recovered in a civil action in any court of competent jurisdiction."
 - Section 22. Section 80-7-801, MCA, is amended to read:
 - **"80-7-801. Definitions.** As used in this part, the following definitions apply:
- (1) "Crop weed" means any plant commonly accepted as a weed and for which grants for management research, evaluation, and education under 80-7-814(3)(g) may be given.
 - (2) "Department" means the department of agriculture established in 2-15-3001.
 - (3) "Noxious weed" means any weed defined in 7-22-2101(7)(a)(8)(a)."
 - **Section 23.** Section 80-7-815, MCA, is amended to read:
- "80-7-815. Noxious weed emergency -- expenditure authorized. (1) If The governor may declare a noxious weed emergency if:
- (a) a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department, the governor may declare a noxious weed emergency.; or
 - (b) the state is facing a potential influx of noxious weeds as the result of a natural disaster.
- (2) In the absence of necessary funding from other sources, this declaration authorizes the department to allocate up to \$150,000 \$500,000 \$150,000 of the principal of the noxious weed management trust fund to government agencies for emergency relief to eradicate or confine the new noxious weed species or to protect the state from an influx of noxious weeds due to a natural disaster.
- (2)(3) If the expenditure causes the principal of the trust fund to fall below \$2.5 million, it must be replenished by the interest or revenue generated by the trust fund, by the other revenue provided by this part, or by revenue obtained from the fee imposed by 61-3-510, as determined by the department."

- **Section 24.** Section 80-7-816, MCA, is amended to read:
- "80-7-816. Account -- deposit -- investment. (1) There is an a noxious weed account in the state special revenue fund established in 17-2-102. The interest from the noxious weed trust fund, and the fee imposed in 61-3-510, and the funds directed to be deposited as provided in 15-38-202, 17-5-703, and [section 8 2] must be deposited in the account and must be expended as provided in 80-7-814 and [section 9 3].
- (2) The department may direct the board of investments to invest the funds collected under subsection (1) pursuant to the provisions of 17-6-201. The income from the investments must be credited to the account in the state special revenue fund."
 - **Section 25.** Section 80-7-903, MCA, is amended to read:
 - **"80-7-903. Definitions.** As used in this part, the following definitions apply:
- (1) "Advisory council" means the Montana noxious weed seed free forage advisory council. Except as provided in 80-7-904, the council is subject to the provisions of 2-15-122.
- (2) "Certification" means the state-approved and documented process of determining within a standard range of variances or tolerances that forage production fields are free of the seeds of noxious weeds, as defined in 7-22-2101(7)(a)(i) 7-22-2101 (8)(a)(i), which process allows a person to sell the forage as noxious weed seed free and to attach approved certification identification.
- (3) "Forage" means any crop, including alfalfa, grass, small grains, straw, and similar crops and commodities, that is grown, harvested, and sold for livestock forage, bedding material, or mulch or related uses and the byproducts of those crops or commodities that have been processed into pellets, cubes, or related products.
- (4) "Noxious weed seed free" means that forage has an absence of noxious weed seeds within a standardized range of variances or tolerances established by department rule.
- (5) "Person" means a natural person, individual, firm, partnership, association, corporation, company, joint-stock association, body politic, or organized group of persons, whether incorporated or not, and any trustee, receiver, assignee, or similar representative.
- (6) "Producer" means a person engaged in growing forage, a tenant personally engaged in growing forage, or both the owner and the tenant jointly and includes a person, cooperative organization, trust, sharecropper, and any other business entity, devices, and arrangements that grow forage that is proposed to be certified as noxious weed seed free.
 - (7) "Sale" or "sell" means the selling, wholesaling, distributing, offering, exposing for sale, advertising,

exchanging, brokering, bartering, or giving away by any person within this state of any forage as noxious weed seed free or certified or approved as noxious weed seed free."

NEW SECTION. Section 26. Codification instruction. (1) [Sections 1 and 2] are intended to be codified as an integral part of Title 15, chapter 32, and the provisions of Title 15, chapter 32, apply to [sections 1 and 2].

- (2)(1) [Section 3 1] is intended to be codified as an integral part of Title 7, chapter 22, part 21, and the provisions of Title 7, chapter 22, part 21, apply to [section 3 1].
- (3)(2) [Sections 4 and 9] are [SECTION 3] IS intended to be codified as an integral part of Title 80, chapter 7, part 7, and the provisions of Title 80, chapter 7, part 7, apply to [SECTION 3].
- (4) [Sections 5 and 7] are intended to be codified as an integral part of Title 15, chapter 31, part 1, and the provisions of Title 15, chapter 31, part 1, apply to [sections 5 and 7].
- (5) [Section 6] is intended to be codified as an integral part of Title 15, chapter 30, part 1, and the provisions of Title 15, chapter 30, part 1, apply to [section 6].
- $\frac{(6)(3)}{(8)}$ [Section $\frac{8}{2}$] is intended to be codified as an integral part of Title 80, chapter 7, part 8, and the provisions of Title 80, chapter 7, part 8, apply to [section $\frac{8}{2}$].

NEW SECTION. Section 27. Effective date. [This act] is effective July 1, 2001.

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