

SENATE BILL NO. 277

INTRODUCED BY F. MOORE, T. BROWN

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

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

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12 **Section 1.** Section 81-1-102, MCA, is amended to read:
13 **"81-1-102. Duties and powers of department -- fees based on costs.** (1) The department shall
14 exercise general supervision over and, so far as possible, protect the livestock interests of the state from theft
15 and disease and recommend legislation that, in the judgment of the department, fosters ~~this~~ the livestock industry.
16 The department may compel the attendance of witnesses, employ counsel to assist in the prosecution of
17 violations of laws made for the protection of livestock interests, and assist in the prosecution of persons charged
18 with illegal branding or theft of livestock or any other crime under the laws of this state for the protection of stock
19 owners. It may adopt rules governing the recording and use of livestock brands.
20 (2) ~~The~~ Except as provided in 81-8-901, the department shall by rule establish all fees that it is
21 authorized to charge, commensurate with costs as provided in 37-1-134.
22 (3) The department shall perform the duties assigned to the department relating to the administration
23 and regulation of alternative livestock ranches."

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25 **Section 2.** Section 81-8-901, MCA, is amended to read:
26 **"81-8-901. Beef promotion and marketing -- powers and duties of department -- contract.** (1) The
27 department shall:
28 ~~(+)(a) cooperate and~~ ENTER INTO A contract with the Montana beef council ~~for collecting~~ TO COLLECT ON
29 BEHALF OF THE BEEF COUNCIL an assessment of \$1 for each head of Montana ~~livestock~~ cattle sold as established
30 in the national Beef Promotion and Research Act of 1985, 7 U.S.C. 2901 through 2911, also referred to as the

1 national beef check-off, and 7 CFR, part 1260, subpart A;

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

3 (2) (a) Any EXCEPT AS PROVIDED IN SUBSECTION (2)(B), THE contract agreed to under this section between
 4 the department and the Montana beef council must include A PROVISION THAT THE BEEF COUNCIL SHALL PAY a fee,
 5 not to exceed 5% of the total check-off funds collected, to be paid to the department by the Montana beef council
 6 to reimburse the department for all expenses directly incurred through the collection of the check-off activities as
 7 verified by the legislative auditor.

8 (b) The Montana beef council DEPARTMENT is not obligated under this section or any other state law to
 9 contract for a fee that exceeds 5% of the check-off fees collected COLLECTION OF THE FEE IF THE DEPARTMENT'S
 10 DIRECT COLLECTION COSTS AS VERIFIED BY THE LEGISLATIVE AUDITOR EXCEED 5% OF THE CHECK-OFF FUNDS
 11 COLLECTED.

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

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

15 **"81-8-902. Department not liable for collection of assessment -- inspection.** (1) The department
 16 and its agents and employees are not responsible or liable for ~~the collection or payment of money~~ A LIVESTOCK
 17 OWNER'S COMPLIANCE WITH THE REQUIREMENT TO PAY THE ASSESSMENT due to the Montana beef council pursuant
 18 to 81-8-901(4) if 81-8-901 and this section are carried out in good faith.

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

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

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