65th Legislature

| 1  | HOUSE BILL NO. 377   |
|----|--|
| 2  | INTRODUCED BY A. REDFIELD  |
| 3  |  |
| 4  | A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE BOARD OF MILK CONTROL TO ADOPT RULES                                 |
| 5  | RELATED TO THE CALCULATION OF MILK LICENSE FEES; AND AMENDING SECTION 81-23-202, MCA."                                 |
| 6  |  |
| 7  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  |
| 8  |  |
| 9  | Section 1. Section 81-23-202, MCA, is amended to read:   |
| 10 | "81-23-202. Licenses disposition of income. (1) A producer, producer-distributor, distributor, or                      |
| 11 | jobber may not engage in the business of producing or selling milk subject to this chapter in this state without first |
| 12 | having obtained a license from the department as provided in 81-22-202 or, in the case of milk entering this state     |
| 13 | from another state or foreign nation, without complying with the requirements of the Montana Food, Drug, and           |
| 14 | Cosmetic Act and without being licensed under this chapter by the board. The annual fee for the license is \$2,        |
| 15 | is due before July 1, and must be deposited by the department in the general fund. The license required by this        |
| 16 | chapter is in addition to any other license required by state law or any municipality of this state. This chapter      |
| 17 | applies to every part of the state of Montana.   |
| 18 | (2) In addition to the annual license fee, the board shall, in each year, before April 1, for the purpose of           |
| 19 | securing funds to administer and enforce this chapter, levy an assessment upon producers, producer-distributors,       |
| 20 | and distributors as follows:   |
| 21 | (a) a fee per hundredweight on the total volume of all milk subject to this chapter produced and sold by               |
| 22 | a producer-distributor;  |
| 23 | (b) a fee per hundredweight on the total volume of all milk subject to this chapter sold by a producer;                |
| 24 | (c) a fee per hundredweight on the total volume of all milk subject to this chapter sold by a distributor,             |
| 25 | excepting that which is sold to another distributor.   |
| 26 | (3) The board shall adopt rules fixing the amount of each fee the fees under this section, including rules             |
| 27 | identifying the milk hundredweight equivalent conversion factor used for calculating the amount of the fees levied     |
| 28 | on manufactured dairy products. The amounts may not exceed levels sufficient to provide for the administration         |
| 29 | of this chapter. The fee assessed on a producer or on a distributor may not be more than one-half the fee              |
| 30 | assessed on a producer-distributor.  |
|    | Legislative         Services       -1 -         Division   |

65th Legislature

- (4) (a) In addition to the fees established in subsections (1) through (3), the department shall assess a
   fee per hundredweight on the volume of all classes of milk produced and sold by a person licensed by the
   department to be used for the administration of the milk inspection and milk diagnostic laboratory functions of the
   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 before the
  9 25th day of each month. The amount of the assessments must be computed by applying the fee designated by
  10 the board and the fee established in subsection (4) to the volume of milk sold in the preceding month.
- (6) Failure of a producer-distributor, producer, or distributor to pay an assessment when due is a violation of this chapter, and the board may revoke a license upon due cause and after a hearing. A licensee shall pay all assessments accrued through the date a license is revoked under this section. A revoked license must be reinstated by the board upon payment of all accrued assessments and a delinquency fee established by rule.
- 15 (7) All assessments required by this chapter must be deposited by the department in the state special 16 revenue fund. All costs of administering chapter 22 and this chapter, including the salaries of employees and 17 assistants, per diem and expenses of board members, and all other disbursements necessary to carry out the 18 purpose of chapter 22 and this chapter, must be paid out of the board money in that fund.
- (8) The board may, if it finds the costs of administering and enforcing this chapter can be derived from
  lower rates, amend its rules to fix the rates at a less amount on or before April 1 in any year."
- 21

- END -

