

1 HOUSE BILL NO. 158

2 INTRODUCED BY R. COOK

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING COMMERCIAL FERTILIZER ASSESSMENT LAWS;
5 EXEMPTING SALES BY DISTRIBUTORS FOR FINAL SALE OUT OF STATE; AND AMENDING SECTIONS
6 80-10-103 AND 80-10-207, MCA."

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

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10 **Section 1.** Section 80-10-103, MCA, is amended to read:

11 **"80-10-103. Assessment to fund educational and experimental programs -- collection.** Money to
12 fund 80-10-104 through 80-10-106 must be produced by an assessment of 75 cents per ton of fertilizer
13 manufactured in or distributed into Montana for final sale. Collections must be made in accordance with
14 procedures in 80-10-207 and payment is the responsibility of the in-state manufacturer or of the supplier if the
15 fertilizer is not manufactured in Montana."

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17 **Section 2.** Section 80-10-207, MCA, is amended to read:

18 **"80-10-207. Fees.** (1) (a) Each in-state manufacturer or out-of-state supplier shall pay to the department
19 fees on all commercial fertilizer distributed in this state, except specialty fertilizers and unmanipulated animal or
20 vegetable manures. Sales to manufacturers, sales by distributors for final sale out of state, or exchanges between
21 manufacturers are exempt. The fees are as follows:

22 (i) The department may by rule adjust the inspection fee to maintain adequate funding for the
23 administration of this part. The fee may not be less than 20 cents per ton or more than 25 cents per ton. A change
24 in fee becomes effective on the first day of a reporting period. All in-state manufacturers and out-of-state suppliers
25 of nonexempt products must be given notice of a change in fees before the effective date.

26 (ii) The department may by rule adjust the anhydrous ammonia inspection fee to maintain adequate
27 funding for the administration and enforcement of part 5 of this chapter. The fee may not be less than 65 cents
28 per ton or more than \$1.30 per ton. A change in fee becomes effective on the first day of a reporting period. All
29 in-state manufacturers and out-of-state suppliers of anhydrous ammonia must be given notice of a change in fees
30 before the effective date of the fee adjustment.

1 (iii) The assessment fee prescribed in 80-10-103 must be used to fund educational and experimental
2 programs as provided in 80-10-103 through 80-10-106.

3 (b) If fertilizer material or soil amendment is added to fertilizer for which a fee has been paid under
4 subsection (1)(a), a fee is due only on the fertilizer material or soil amendment for which a fee has not been paid.

5 (2) There must be paid to the department on all soil amendments distributed in this state an inspection
6 fee of 10 cents per ton subject to the following provisions:

7 (a) sales to manufacturers, sales by distributors for final sale out of state, or exchanges between ~~them~~
8 manufacturers are exempt; and

9 (b) when less than 50 tons of a registered soil amendment is sold in a quarterly reporting period, no
10 payment is due.

11 (3) (a) (i) Each licensee who distributes a soil amendment or commercial fertilizer, except specialty
12 fertilizer and unmanipulated animal or vegetable manures, to an unlicensed person in this state shall file with the
13 department on forms approved by the department a semiannual statement for the periods ending June 30 and
14 December 31 setting forth the number of net tons of each commercial fertilizer and soil amendment distributed
15 in this state during the 6-month period. The report is due on or before the 30th day of the month following the
16 close of each period. There are no fees associated with the semiannual report.

17 (ii) Each in-state manufacturer and out-of-state supplier who distributes a soil amendment or commercial
18 fertilizer in this state to a person regardless of license status, except specialty fertilizer and unmanipulated animal
19 or vegetable manures, shall file with the department on forms approved by the department a quarterly statement
20 setting forth the number of net tons of each commercial fertilizer and soil amendment distributed in this state
21 during the quarter and to whom it was distributed. The report is due on or before 30 days after the end of the
22 quarterly reporting period. The in-state manufacturer or out-of-state supplier shall pay the fees set forth in
23 subsection (1) at that time.

24 (b) If the tonnage report required by subsection (3)(a)(ii) is not filed and the payment of fees is not made
25 within 30 days after the end of the quarterly reporting period, a collection fee of 15% annual percentage rate on
26 the amount due but not less than \$10 must be assessed against the in-state manufacturer or out-of-state supplier,
27 and the amount of fees due constitutes a debt and becomes the basis of a judgment against the in-state
28 manufacturer or out-of-state supplier.

29 (4) Except as provided in subsection (5), all fees collected for licenses, registration, and inspection and
30 money collected as penalties must be deposited in the state treasury to the credit of the state special revenue

1 fund for the purpose of administering this chapter, including the cost of equipment and facilities and the cost of
2 inspecting, analyzing, and examining commercial fertilizer and soil amendments manufactured or distributed in
3 this state. Reserve funds may be invested by the department with interest credited to the state special revenue
4 fund.

5 (5) All fees collected under subsection (1)(a)(ii) must be deposited in the state treasury to the credit of
6 the state special revenue fund, anhydrous ammonia account, for the administration and enforcement of part 5
7 of this chapter and the rules adopted under part 5. The department may direct the board of investments to invest
8 the funds collected under subsection (1)(a)(ii) pursuant to the provisions of 17-6-201. The income from the
9 investment must be deposited in the anhydrous ammonia account in the state special revenue fund."

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