



EAIC REVIEW OPTIONS:

AGRICULTURE’S ATTACHED AGENCIES/REPORTS

Under its “monitoring” responsibilities, the Economic Affairs Interim Committee has four departments, one agency run by an elected official, Montana State Fund, and two divisions attached to agencies that normally do not report to the Economic Affairs Committee but whose legislation usually comes before members of the House Business and Labor Committee and the Senate Business, Labor, and Economic Affairs Committee. The following table lists councils or boards attached to the Department of Agriculture. The Economic Affairs Interim Committee may choose whether to ask representatives to come before the committee to provide more details. The Department of Agriculture has a statute under which it may create commodity advisory committees, separate from those already created by statute, such as the Montana Wheat and Barley Commission. The Potato Advisory Committee is an example of a commodity committee established under 80-11-510, MCA. The Montana Constitution allows special levies on agricultural commodities, with revenue reserved solely for the purposes of the levies, under Article XII, section 1(2).

AGRICULTURE

Attached Agency	Activities	Funding/Budget
<p>Board of Hail Insurance - Statutes are 2-15-3003 and Title 80, chapter 2, part 2, MCA.</p>	<p>Board of Hail Insurance has 5 members: the State Insurance Commissioner; the director of the Department of Agriculture; and 3 appointments by Governor. The board sets rates for hail insurance offered through the board on 33 crops currently. Rates are a maximum of \$75/acre on nonirrigated land and \$114/acre on irrigated land. Rates vary by county (based on experience) and by each of 33 crops. In some places this hail insurance supplements private coverage.</p>	<p>Funded by insurance premiums statutorily appropriated + \$388,400 from HB 2.</p> <p><u>Biennium Total</u> \$861,265</p> <p>Of which:</p> <p>Personal Services \$733,047</p> <p>Operating Expenses \$128,218</p> <p>Statutory authority for claims = \$1.6 million</p>
<p>Montana Agriculture Development Council - Statutes are 2-15-3015 and Title 90, chapter 9, MCA. Statutory expenditure under 17-7-502, MCA.</p>	<p>The Montana Agriculture Development Council has 7 members: the directors of the Departments of Agriculture and Commerce and 5 appointments by the governor from those active or formerly active in agriculture.</p> <p>The Council is to meet quarterly and make grants or loans to stimulate agricultural development and diversification in rural, urban, and tribal settings. (90-9-202, MCA)</p>	<p>Receives percentage of coal severance taxes under 15-35-108(5) MCA, plus \$625,000 a year under 15-35-108(11)(b)(ii). The \$625,000 annual distribution ends 7/1/2019, but not the other distribution.</p> <p><u>Biennium Total</u> \$1,250,000</p> <p>Of which:</p> <p>Personal Services \$615,285</p>

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Overview of Agriculture's Attached Agencies/Reports

Economic Affairs Interim Committee

Prepared by Pat Murdo, Committee Staff. Budgeting Information from the Department of Agriculture

Attached Agency	Activities	Funding/Budget
Ag Development Council, continued		Operating Expenses \$ 68,809 Grants \$565,906
Montana Alfalfa Seed Committee - Statutes are 2-15-3004 and Title 80, chapter 11, part 3, MCA.	The eight-member committee includes five members either actively engaged in growing alfalfa seed or active in handling, buying, or selling alfalfa seed, including as a broker or factor. Two members are to be alfalfa seed growers also involved in rearing alfalfa leaf-cutting bees. The Department of Agriculture director or the director's appointee is also a member. Under 80-11-304, MCA, the committee may plan and conduct research programs related to improving quality, adding control measures for disease and pests, and disseminating information.	Funded by assessments from the sale of alfalfa seed (State Special Revenue). Biennial Total <u>\$98,000</u> Of which: Personal Services \$ 1,000 Operating Expenses \$31,000 Grants/Transfers \$46,000
Montana Cherry Advisory Committee – Statute allowing committee is 80-11-510, MCA.	In November 2017 cherry producers voted 52-17 to eliminate the Montana Cherry Research and Marketing Development program. The Department of Agriculture proposed repealing related rules in December 2017.	Funded by an assessment on cherry sales. Statutory appropriation of \$25,362 a year. Biennium Total <u>\$50,554</u> Of which: Personal Services \$ 2,850 Operating Expenses \$ 9,000 Grants \$38,704
Montana Potato Advisory Committee – Statute is 80-11-510, MCA.	As one of the commodity advisory committees established under 80-11-510, MCA, the Montana Potato Advisory Committee includes in its duties providing advice on potato research and marketing. In addition to the director of the department, the committee has as members five producers.	Funded by an assessment on potato sales. Statutory appropriation of \$115,000 a year. Biennium Total <u>\$230,095</u> Of which: Personal Services \$ 1,300 Operating Expenses \$ 88,795 Grants \$140,000
Montana Pulse Crop Committee , created in 2017. Statutes are 2-15-3007 and of Title 80, chapter 11, part 10, MCA.	Established by SB 285 (2017), this committee has 5 voting members and 3 ex officio members. The committee may conduct research to improve crop quality, develop controls for disease and pests, and educate growers and consumers.	* Funded by an assessment set by rule on net receipts of pulse crop sales.HB 2 State Special for research/marketing \$200,000/year

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<p>Pulse Crop Committee, continued</p> <p>Statutory appropriation under 80-11-1006, MCA.</p>	<p>Members are from Froid, Flaxville, Chester, Cut Bank, and Vida. Replaces the Pulse Crop Advisory Committee.</p>	<p>*Statutory appropriation of \$2.5 million a year.</p> <p><u>Biennium Total</u> \$5,426,014 (State Special + Statutory Approp) Of which: Personal Services \$179,000 Operating Expenses \$1,204,014 Equipment \$ 20,000 Grants/Transfers \$4,023,000</p>
<p>Montana Wheat and Barley Committee – Statutes are 2-15-3002 and Title 80, chapter 11, part 2, MCA.</p>	<p>For the 10-member committee, the governor appoints seven members from specified geographic districts and these members appoint a sixth member representing the grain trade. That appointee is ex officio as are the director of the Department of Agriculture and the dean of agriculture at Montana State University-Bozeman.</p> <p>The committee is authorized to provide enforcement through the department and research into the production, marketing, and uses of wheat and barley. The committee also may contract with units of the Montana university system and other public or private organizations on behalf of wheat and barley. The committee also sets the millage assessment.</p>	<p>Funded by an assessment on wheat and barley sales.</p> <p>HB 2 authorizes \$4.8 million a year + \$2 million one-time-only to move from a fiscal year grant cycle to a calendar year cycle.</p> <p><u>Biennium Total</u> \$11,617,791 Of which: Personal Services \$1,089,392 Operating Expenses \$4,294,403 Grants/Transfers \$6,233,996</p>
<p>Noxious Weed Management Advisory Council, created in 1985. Statute is 80-7-805, MCA.</p>	<p>The 11-member advisory council is to provide advice to the director of the Department of Agriculture on implementing the Noxious Weed Management Program, which has a constitutionally provided trust of at least \$10 million from which interest and income may be distributed through grants or contracts to communities or weed control districts for managing noxious weeds. The fund's interest and income may be appropriated by a majority vote but only to fund the noxious weed management program. Any amount of the principal over \$10 million may be appropriated by a majority vote, but only for noxious weed management.</p>	<p>The noxious weed management trust fund is required under Article IX, section 6, of the Montana Constitution. Also, 1.5% of motor vehicle fees go to the program, as provided in 15-1-122, MCA.</p> <p>Some federal grants also go toward the program budget.</p> <p><u>Biennium Total</u> \$4.2 million Of which: Personal Services \$396,656 Operating Expenses \$ 76,603</p>

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<p>Noxious Weed Management Advisory Council, continued</p>		<p>Equipment \$ 6,000 Grants \$3,754,205</p>
<p>Noxious Weed Seed Free Forage Advisory Council, created in 1995. Statute is 80-7-904, MCA.</p>	<p>The 12-member council, of which two members are ex officio, nonvoting members from Montana State University-Bozeman, is to provide advice on administering the Noxious Weed Seed Free Forage Act (Title 80, chapter 7, part 9, MCA). Other members include the director of the Department of Agriculture or a designee, four members representing four areas of the state and engaged in a certified forage noxious weed seed free program, two members representing county weed districts involved in a forage certification program and involved in the Montana Weed Control Association, and one member each representing processors of forage into pellets or cubes, the livestock or agricultural industry, and outfitters or guides.</p> <p>The council is to advise on fees, structures, and procedures as outlined in 80-7-907, MCA, as well as proposed rules on operations, standards, and inspections, among other activities.</p>	<p>Funded by inspection fees.</p> <p><u>Biennium Total</u> \$235,970</p> <p>Of which:</p> <p>Personal Services \$163,295 Operating Expenses \$ 69,675 Equipment \$ 3,000</p>
<p>Organic Commodity Advisory Council, authorized under 80-11-601, MCA.</p>	<p>The Organic Commodity Advisory Council, created after the state obtained acceptance from the U.S. Secretary of Agriculture of a state organic certification program, consists of the director of the state's Department of Agriculture, a consumer member, and certified producers, handlers, or processors of certified organic products. Producers must be a majority of the latter group. Currently, the council has 7 appointed members along with the department director.</p> <p>The council is to advise the department on adoption of program rules, research and market development, and assessments on certified organic products. The assessments are subject to an appropriate vote. The council also may advise on awards of research and marketing contracts.</p>	<p>Funded by inspection and assessment fees.</p> <p>HB 2 – state special revenue</p> <p><u>Biennium Total</u> \$747,218</p> <p>Of which:</p> <p>Personal Services \$577,014 Operating Expenses \$160,204 Equipment \$ 10,000</p>

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Reports from the Department of Agriculture

- Under 7-22-2151, MCA, various state agencies that work with district weed boards are to compile and submit a summary of all noxious weed actions to the state weed coordinator. In the past, the Department of Agriculture has supplied this report to the Legislature. The state agencies include the Department of Transportation, the Department of Fish, Wildlife, and Parks, the Department of Corrections, the Department of Natural Resources and Conservation, and the Montana University System.

Optional Department of Agriculture Advisory Bodies

- Advisory Council on Special Pesticide Problems – Under 80-8-108, MCA, the director of the Department of Agriculture may appoint an advisory council to study and make recommendations on special pesticide problems. The council may not exceed 12 members from specified areas. No council has been appointed.

Repealed Department of Agriculture Advisory Body

- Vertebrate Pest Management Advisory Council, repealed as part of HB 82 (2017).

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