

- 18 in the district up to a maximum of sixty thousand dollars per annum.
 19 3. For an extension district having a population of fifty thousand or more but
 20 less than one hundred thousand population, an annual levy not to exceed thirteen
 21 and one-half cents per thousand dollars of the assessed valuation of the taxable
 22 property in the district up to a maximum of seventy-five thousand dollars per
 23 annum.
 24 4. For an extension district having a population of one hundred thousand or
 25 more, an annual levy not to exceed thirteen and one-half cents per thousand
 26 dollars of the assessed valuation of the taxable property in the district up to a
 27 maximum of one hundred thousand dollars per annum.
 28 The extension council in each extension district shall comply with the
 29 provisions of chapter twenty-four (24) of the Code.

- 1 SEC. 2. The provisions of this Act shall be governed by budget limitations
 2 contained in Senate File 1062, passed by the Sixty-sixth General Assembly, 1976
 3 Session.

Approved May 27, 1976

CHAPTER 1124

CORN PROMOTION BOARD

S. F. 449

AN ACT relating to the establishment of a corn promotion fund to receive assessments made on the sale of corn, to establish an Iowa corn promotion board, to provide for a referendum among corn producers, and to provide penalties.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. NEW SECTION. **Definitions.** As used in this Act:
 2 1. "Secretary" means the secretary of agriculture.
 3 2. "Board" means the Iowa corn promotion board established by this Act.
 4 3. "Promotional order" means an order administered pursuant to this Act
 5 which establishes a program for the promotion, research and market development
 6 of corn and provides for an assessment to finance the program.
 7 4. "Market development" means to engage in research and educational
 8 programs directed toward better and more efficient utilization of corn; to provide
 9 methods and means, including but not limited to, public relations and other
 10 promotion techniques for the maintenance of present markets; to provide for the
 11 development of new or larger domestic and foreign markets; and to provide for
 12 the prevention, modification, or elimination of trade barriers which obstruct the
 13 free flow of corn.
 14 5. "Producer" means any individual, firm, corporation, partnership, or
 15 association engaged in this state in the business of producing and marketing in
 16 their name at least two hundred fifty bushels of corn in the previous marketing
 17 year.
 18 6. "First purchaser" means any person, corporation, association, cooperative,
 19 partnership, commercial buyer, dealer, or processor who resells corn purchased
 20 from a producer or offers for sale any product produced from such corn for any
 21 purpose.
 22 7. "Marketing year" means the twelve-month period beginning the first day of
 23 September and ending on the following thirty-first day of August.

24 8. "District" means an official crop reporting district formed by the United
25 States department of agriculture and set out in the annual farm census published
26 by the Iowa department of agriculture.

27 9. "Corn" means and includes all kinds of varieties of corn grown in this state
28 and marketed or sold as corn by the producer but shall not include sweet corn,
29 popcorn or seed corn.

30 10. "Bushel" means fifty-six pounds of corn by weight.

31 11. "Assessment" means an excise tax on each bushel of corn raised and sold in
32 this state as provided in this Act.

1 SEC. 2. NEW SECTION. **Petition for election.** Upon receipt of a petition
2 signed by at least five hundred producers requesting an initial referendum
3 election to determine whether a promotional order shall be placed in effect, the
4 secretary shall call an initial referendum election to be conducted within sixty
5 days following receipt of the petition. Producers shall vote by written ballot in the
6 manner provided by this Act for referendum elections.

1 SEC. 3. NEW SECTION. **Establishment of corn promotion board.** If a majority
2 of the producers voting in the referendum election approve the passage of the
3 promotional order, an Iowa corn promotion board shall be established. The
4 board shall consist of one director elected from each district in the state, except
5 that a district producing more than an average of one hundred million bushels of
6 corn in the three previous marketing years is entitled to two directors.

1 SEC. 4. NEW SECTION. **Initial board.** For the initial board, the secretary
2 shall notify the Iowa corn growers association, mentioned in section one hundred
3 fifty-nine point twenty-five (159.25) of the Code, immediately after approval of a
4 promotional order at the referendum election and the association shall nominate
5 two candidates for each position as director. Additional candidates may be
6 nominated by written petition of twenty-five producers. Procedures governing the
7 time and place of filing petitions shall be established and publicized by the
8 secretary. Candidates shall be resident producers of the district from which they
9 are nominated. The secretary shall receive the nominations, and shall call an
10 election for members of the initial board within thirty days following passage of
11 the promotional order.

1 SEC. 5. NEW SECTION. **Notice of election.** Notice of the initial election for
2 directors of the board shall be given by the secretary by publication in a
3 newspaper of general circulation in the state at least five days prior to the date of
4 the election and in any other reasonable manner as may be determined by the
5 secretary. The notice shall set forth the period of time for voting, voting places,
6 and such other information as the secretary may deem necessary.

7 Notice of subsequent elections for directors of the board in a district shall be
8 given by the board by publication in a newspaper of general circulation in the
9 district and in any other reasonable manner as may be determined by the board
10 and shall set forth the period of time for voting, voting places, and such other
11 information as the board may deem necessary.

1 SEC. 6. NEW SECTION. **Election of directors.** In districts electing one
2 director, the candidate receiving the highest number of votes shall be elected. In
3 districts electing two directors, producers shall vote for two directors, and the two
4 candidates receiving the highest number of votes shall be elected.

1 SEC. 7. NEW SECTION. **Terms of directors.** Director terms shall be for three
2 years and no director of the board shall serve for more than three complete
3 consecutive terms.

4 The terms of office for the initial board shall be determined by lot. As nearly as
5 possible one-third of the directors shall serve for one year, one-third of the
6 directors shall serve for two years, and one-third of the directors shall serve for
7 three years. The initial board shall not contain two directors from the same
8 district serving the same term.

1 SEC. 8. NEW SECTION. **Future elections.** After election of the initial board,
2 the board shall administer subsequent elections for directors of the board with the
3 assistance of the secretary. Prior to the expiration of a director's term of office,
4 the board shall appoint a nominating committee for the district represented by
5 such director. The nominating committee shall consist of five producers who are
6 residents of the district from which a director must be elected. The nominating
7 committee shall nominate two resident producers as candidates for each director
8 position for which an election is to be held. Additional candidates may be
9 nominated by a written petition of twenty-five producers. Procedures governing
10 the time and place of filing shall be promulgated and publicized by the board.

1 SEC. 9. NEW SECTION. **Vacancies.** The board shall by appointment fill an
2 unexpired term if a vacancy occurs in the board.

1 SEC. 10. NEW SECTION. **Ex officio members.** The secretary, the dean of the
2 college of agriculture of Iowa state university of science and technology, and the
3 director of the Iowa development commission, or their designees, and two
4 representatives of first purchaser organizations shall serve on the board as ex
5 officio members. One each of the two first purchaser representatives shall be
6 appointed by, and serve at the pleasure of, the Iowa grain and feed association
7 and the farmers grain dealers association of Iowa.

1 SEC. 11. NEW SECTION. **Purpose of the board.** The purposes of the board
2 shall be to:

3 1. Enter into contracts or agreements with recognized and qualified agencies or
4 organizations for the development and carrying out of research and education
5 programs directed toward better and more efficient production, marketing, and
6 utilization of corn and corn products.

7 2. Provide methods and means, including, but not limited to, public relations
8 and other promotion techniques for the maintenance of present markets.

9 3. Assist in development of new or larger markets, both domestic and foreign,
10 for corn and corn products.

11 4. Work for prevention, modification, or elimination of trade barriers which
12 obstruct the free flow of corn and corn products to market.

1 SEC. 12. NEW SECTION. **Officers.** The board shall:

2 1. Elect a chairman and other officers as advisable.

3 2. Administer this Act, and perform all acts reasonably necessary to effectuate
4 the purposes of this Act.

1 SEC. 13. NEW SECTION. **Powers and duties.** The board may:

2 1. Employ and discharge assistants and professional counsel as necessary,
3 prescribe their duties and powers, and fix their compensation.

4 2. Establish offices, incur expenses, and enter into any contracts or agreements
5 necessary to carry out the purposes of this Act.

6 3. Adopt, rescind, and amend all proper and necessary rules for the exercise of
7 its powers and duties.

8 4. Enter into arrangements for collection of the assessment on Iowa grown corn
9 from persons purchasing corn outside of Iowa.

1 SEC. 14. NEW SECTION. **Per diem and expenses.** Each member of the board
2 shall receive thirty dollars per day and actual expenses in performing official
3 board functions not to exceed forty days per year. No member of the board shall
4 be a salaried employee of the board or any organization or agency which is
5 receiving funds from the board. The board shall meet at least once every three
6 months, and at such other times as deemed necessary by the board.

1 SEC. 15. NEW SECTION. **Initial meeting.** The initial board shall meet and
2 organize following the members' election, and the promotional order, including
3 the assessment, shall become effective sixty days following the date of the election
4 of the board. A promotional order shall be effective for four years from its
5 effective date.

1 SEC. 16. NEW SECTION. **Notice of referendum.** Notice of a referendum
2 election to initiate or extend a promotional order shall be given by publication in
3 a newspaper of general circulation in this state at least ten days prior to the date
4 of the referendum and in any other reasonable manner as may be determined by
5 the secretary for the initial referendum and by the board for extension of the
6 promotional order.

1 SEC. 17. NEW SECTION. **Contents of notice.** The notice of referendum shall
2 set forth the period of time for voting, voting places and such other information
3 as the secretary may deem necessary in an initial referendum. The board shall
4 make such determinations in any subsequent referendum.

1 SEC. 18. NEW SECTION. **Counting.** At the close of a referendum voting
2 period, the secretary shall count and tabulate the ballots cast during the
3 referendum period.

1 SEC. 19. NEW SECTION. **Effect.** The ballots shall constitute conclusive
2 evidence as to the validity of the promotional order.

1 SEC. 20. NEW SECTION. **Producers only to vote.** Only producers are eligible
2 to vote in an election for directors or a referendum election and only in the
3 district in which they reside. A producer shall sign an affidavit furnished by the
4 secretary at the time of voting certifying his eligibility to vote. Each qualified
5 producer shall be entitled to one vote.

1 SEC. 21. NEW SECTION. **Assessment.** The board shall set the assessment
2 rate. Assessments pursuant to the promotional order shall be paid into the corn
3 promotion fund established in section twenty-six (26) of this Act. An assessment
4 shall not exceed one-tenth of one cent per bushel upon corn produced in this
5 state and sold to a first purchaser. The rate of assessment shall be determined by
6 the board but shall not be changed, once established, during a marketing year.

1 SEC. 22. NEW SECTION. **Promotional order.** After a promotional order has
2 been issued, the first purchaser at the time of payment for corn shall show the
3 total amount of assessment deducted from the sale on the purchase invoice.

1 SEC. 23. NEW SECTION. **Deduction of assessment.** The assessment shall be
2 deducted from the purchase price of corn at the time of sale, and forwarded to
3 the secretary by the first purchaser in the manner and at intervals determined by
4 the board.

1 SEC. 24. NEW SECTION. **Cancellation of order.** If a promotional order has
2 been canceled by a referendum, and all funds expended, the board shall cease to
3 function. Any funds remaining one year following the termination of a
4 promotional order shall be disbursed by the secretary for corn market
5 development. However if a future referendum passes, the board shall be
6 reorganized by the secretary and members shall serve out their terms as though
7 there had been no lapse of time between effective orders.

1 SEC. 25. NEW SECTION. **Assessment nullified.** An assessment adopted upon
2 the initiation of a promotional order shall be of no force or effect upon
3 termination of the promotional order. At least sixty days but not more than one
4 hundred eighty days prior to the termination date of a promotional order, the
5 secretary shall cause notice to be published in accordance with section sixteen
6 (16) of this Act, and a referendum on the question of whether a promotional
7 order shall be extended for an additional four-year period shall be conducted. If
8 the secretary finds that a majority of the total number of producers voting favor

9 the promotional order, then the order shall continue to be in effect for an
10 additional four-year period. If a referendum should fail, another referendum shall
11 not be held within one hundred eighty days. A succeeding referendum shall be
12 called by the secretary upon petition of at least five hundred producers requesting
13 a referendum.

1 **SEC. 26. NEW SECTION. Deposit of funds.** Assessments collected by the
2 secretary from a sale of corn shall be deposited in the office of the treasurer of
3 state together with any gifts, or any federal or state grant as may be received by
4 the board, and placed in a special fund to be known as the corn promotion fund.
5 Moneys collected shall be subject to audit by the auditor of state. From moneys
6 collected, the board shall first pay all the direct and indirect costs incurred by the
7 secretary and the costs of referendums, elections and other expenses incurred in
8 the administration of this Act, and thereafter moneys may be expended for the
9 purpose of market development. The fund shall be subject at all times to warrants
10 by the state comptroller, drawn upon the written requisition of the chairman of
11 the board and attested to by the secretary of the board.

1 **SEC. 27. NEW SECTION. Refund of assessment.** A producer who has sold
2 corn and had an assessment deducted from the sale price may, by application in
3 writing to the secretary, secure a refund in the amount deducted. The refund shall
4 be payable only when the application shall have been made to the secretary
5 within sixty days after the deduction. Application forms shall be given by the
6 board to each first purchaser when requested and the first purchaser shall make
7 the applications available to any producer. Each application for refund by a
8 producer shall have attached thereto proof of assessment deducted. The proof of
9 assessment may be in the form of a duplicate or certified copy of the purchase
10 invoice by the first purchaser. The secretary shall have thirty days from the date
11 the application for refund is received to remit the refund to the producer.

1 **SEC. 28. NEW SECTION. Appropriation.** All moneys deposited in the corn
2 promotion fund are appropriated for the administration of this Act and for the
3 payment of claims based upon obligations incurred in the performance of
4 activities and functions set forth in this Act.

1 **SEC. 29. NEW SECTION. Remission of excess funds.** After the costs of
2 elections, referendum, necessary board expenses and administrative costs have
3 been paid, at least seventy-five percent of the remaining funds in the corn
4 promotion fund shall be allocated to organizations selected by the corn
5 promotion board on the basis of their ability to carry out the purposes of this Act.
6 The funds can only be used for research, promotion, and education in
7 cooperation with agencies who are equipped to do this kind of work.

8 The Iowa corn promotion board shall not engage in any political activity, and
9 it shall be a condition of any allocation of funds that any organization receiving
10 funds shall not engage in political activity or attempt to influence legislation
11 except legislation or rules which would restrict corn markets.

1 **SEC. 30. NEW SECTION. Bond.** Every person occupying a position of trust
2 under any provisions of this Act shall give bond in such amount as may be
3 required by the board, the premium for which shall be paid out of the corn
4 promotion fund.

1 **SEC. 31. NEW SECTION. Penalty.** It is a misdemeanor for any person to
2 willfully violate any provision of this Act or for any person to willfully render or
3 furnish a false or fraudulent report, statement, or record required by the
4 secretary.

1 **SEC. 32. NEW SECTION. First purchaser information.** Every first purchaser
2 shall upon request furnish the secretary with such information as is necessary to
3 enable the secretary to carry out the provisions of this Act. Such information shall

4 be provided as prescribed by the secretary. The secretary may examine any
 5 records relating to the purchase or assessment of corn by any first purchaser. The
 6 secretary may hold hearings, take testimony, administer oaths, subpoena
 7 witnesses, and issue subpoenas as may be necessary to carry out the provisions of
 8 this Act.

1 SEC. 33. NEW SECTION. **Annual report.** The secretary shall make an annual
 2 report on or before December first of each year, showing all income and expenses
 3 and other relevant information concerning assessments collected and expended
 4 under the provisions of this Act.

1 SEC. 34. NEW SECTION. **Not a state agency.** The Iowa corn promotion
 2 board is not a state agency.

Approved May 28, 1976

CHAPTER 1125

MILK PLANT FEES

S. F. 1263

AN ACT relating to fees which certain municipal corporations charge milk plants and receiving stations.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Chapter one hundred ninety-two (192), Code 1975, is amended by
 2 adding the following new section:

3 NEW SECTION. **Milk plant fees.** A municipal corporation shall not charge a
 4 milk plant or receiving station any fee for inspection of a milk plant or receiving
 5 station for milk or milk products unless the municipal corporation has entered
 6 into agreement with the secretary of agriculture to conduct inspections pursuant
 7 to chapter one hundred ninety-two (192) of the Code.

8 Nothing in this section shall prohibit a municipal corporation having an
 9 agreement with the secretary of agriculture to continue agreements with other
 10 municipal corporations for inspection of their milk plants, receiving stations, and
 11 for milk and milk products, and allowing municipal corporations to charge a fee
 12 for that inspection provided the service is rendered.

Approved April 26, 1976