

THOMAS J. VILSACK GOVERNOR **OFFICE OF THE GOVERNOR**

SALLY J. PEDERSON LT. GOVERNOR

April 19, 2005

The Honorable Chester Culver Secretary of State State Capitol Building LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 478, an Act relating to the Iowa Commission on Volunteer Service.

House File 580, an Act relating to the administration of the Iowa Egg Council, including by providing for the use, protection, and research of eggs and egg products, and providing for an assessment.

The above House Files are hereby approved this date.

Sincerely,

Thomas J. Vilsack Governor

TJV:jmc

cc: Secretary of the Senate Chief Clerk of the House





HOUSE FILE 580

AN ACT

RELATING TO THE ADMINISTRATION OF THE IOWA EGG COUNCIL, INCLUDING BY PROVIDING FOR THE USE, PROMOTION, AND RESEARCH OF EGGS AND EGG PRODUCTS, AND PROVIDING FOR AN ASSESSMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 184.1, subsection 4, Code 2005, is amended to read as follows:

4. "Eggs" means eggs produced from a layer-type chicken. "Eggs" includes shell eggs or eggs broken for further processing7-but-does. However, "eggs" does not include fertile any of the following:

<u>a. Fertile</u> eggs that are incubated, hatched, or used for vaccines.

b. Organic eggs which are produced as part of a production operation which is certified by the department pursuant to chapter 190C.

Sec. 2. Section 184.3, Code 2005, is amended to read as follows:

184.3 ASSESSMENT.

1. a. The-council-shall-establish Except as provided in paragraph "b", an assessment amount-for of two and one-half

<u>cents is imposed on</u> each thirty dozen eggs produced in this state. The assessment shall be imposed on a producer at the time of delivery to a purchaser who shall deduct the assessment from the price paid to a producer at the time of sale. The assessment shall not be refundable. The assessment is due to be paid to the council within thirty days following each calendar quarter, as provided by the council.

b. Upon request of the council, the secretary shall call a special referendum for producers to vote on whether to authorize an increase in the assessment to an amount that is more than two and one-half cents imposed on each thirty dozen eggs produced in this state. Notice shall be given and the special referendum shall be conducted in the manner provided in section 184.5. If a majority of the producers voting approves the increase, the council may increase the assessment for the amount approved. However, the assessment shall not exceed fifteen cents imposed on each thirty dozen eggs produced in this state.

2. If the producer sells eggs to a purchaser outside the state of Iowa, the producer shall deduct the tax assessment from the amount received from the sale and shall forward the amount deducted to the council within thirty days following each calendar quarter. If the producer and processor are the same person, then that person shall pay the assessment to the council within thirty days following each calendar quarter.

<u>3.</u> The council may charge interest on any amount of the assessment that is delinquent. The rate of interest shall not be more than the current rate published in the Iowa administrative bulletin by the department of revenue pursuant to section 421.7. The interest amount shall be computed from the date the assessment is delinquent, unless the council designates a later date. The interest amount shall accrue for each month in which there is delinquency calculated as provided in section 421.7, and counting each fraction of a month as an entire month. The interest amount due shall become a part of the assessment due.

Sec. 3. Section 184.9, Code 2005, is amended by striking the section and inserting in lieu thereof the following: 184.9 DUTIES OF THE COUNCIL -- MARKETING.

The council shall develop new and expand existing markets for eggs and egg products, and may provide for any of the following:

1. Increasing the utilization of eggs or egg products.

2. Increasing the awareness of the health benefits associated with the consumption of eggs or egg products.

3. Increasing the awareness of the economic benefits associated with the production and processing of eggs or egg products.

Sec. 4. <u>NEW SECTION</u>. 184.9A DUTIES OF THE COUNCIL -- RESEARCH.

The council shall participate in research programs or projects, including by conducting or financing such programs or projects, relating to any of the following:

1. Increasing the utilization of eggs or egg products.

2. Improving the production or processing of eggs or egg products.

 Preventing, modifying, or eliminating barriers to trade which obstruct the free flow of eggs or egg products in commerce.

Sec. 5. <u>NEW SECTION</u>. 184.9B DUTIES OF THE COUNCIL --EDUCATION.

The council shall participate in education programs or projects, including by conducting or financing such programs or projects, as follows:

1. The council's education programs or projects may provide for any of the following:

a. The utilization of eggs or egg products.

b. The production or processing of eggs or egg products.

c. The safe consumption of eggs or egg products.

d. The prevention, modification, or elimination of barriers to trade which obstruct the free flow of eggs or egg products in commerce.

e. Increasing the awareness of the health benefits associated with the consumption of eggs or egg products.

f. Increasing the awareness of the economic benefits associated with the production and processing of eggs or egg products.

2. The council's education programs or projects may be designed to increase consumers' knowledge of the production or

processing of eggs, the preparation of eggs or egg products, or the consumption of eggs or egg products.

3. As part of the council's education programs or projects it may provide for the dissemination of information of public interest, including but not limited to the development or publication of materials in a printed or electronic format.

Sec. 6. Section 184.10, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The council may perform any function related that it deems necessary to the-production-and-marketing-of-eggs-or-egg products carry out its purposes and duties as provided in this chapter, including but not limited to doing any of the following:

Sec. 7. Section 184.10, subsection 6, Code 2005, is amended to read as follows:

6. Become a dues-paying member of an organization carrying out a purpose related to the-increased any of the following:

a. The production or processing of eggs or egg products.

b. The consumption and or utilization of eggs or egg products.

Sec. 8. Section 184.10, subsection 7, Code 2005, is amended by striking the subsection and inserting in lieu thereof the following:

7. Administer elections for members of the council and provide for the appointment of persons to fill vacancies occurring on the council, as provided in section 184.8. The department may assist the council in administering an election, upon request to the secretary by the council.

Sec. 9. Section 184.14, unnumbered paragraph 2, Code 2005, is amended to read as follows:

Moneys collected, deposited in the fund, and transferred to the council as provided in this chapter are subject to audit by the auditor of state. The moneys transferred to the council shall be used by the council first for the payment of collection expenses, second for payment of the costs and expenses arising in connection with conducting referendums, and third to <u>perform the functions and</u> carry out the duties of the council as provided in <u>section-184-9</u> this chapter. Moneys remaining after the council is abolished and the imposition of an assessment is terminated pursuant to a referendum conducted

pursuant to section 184.5 shall continue to be expended in accordance with this chapter until exhausted.

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CHRISTOPHER C. RANTS Speaker of the House

JOHN P. KIBBIE President of the Senate

I hereby certify that this bill originated in the House and is known as House File 580, Eighty-first General Assembly.

Margaret Thomson MARGARET THOMSON

Chief Clerk of the House

Approved <u>april 19</u>, 2005

THOMAS . VILSACK Governor