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SENATE FILE 230

By COLEMAN  
(Rex and Hansen)

*See H. F. 145*

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act to provide an excise tax on the sale of turkeys and  
2 providing a penalty for certain violations of this Act.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
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1 Section 1. As used in this Act, unless the context indi-  
2 cates otherwise:

3 1. "Producer" means any person doing business within this  
4 state who grows more than two hundred turkeys for slaughter  
5 each year. The word "producer" may include where applicable,  
6 an integrator, who is a person who both produces and processes  
7 turkeys.

8 2. "Processor" means any person who purchases more than  
9 one thousand turkeys for slaughter each year. The word  
10 "processor" may include where applicable, an integrator, who  
11 is a person who both produces and processes turkeys.

12 3. "Turkeys" means turkeys raised for slaughter.

13 4. "Treasurer" means the person appointed as treasurer  
14 by the Iowa turkey marketing council from the membership of  
15 the council.

16 5. "Secretary" means a person employed by the Iowa turkey  
17 marketing council to perform duties specified by this Act  
18 or the council.

19 6. "Market development" means research and education pro-  
20 grams directed toward better and more efficient production,  
21 marketing and utilization of turkey and turkey products pro-  
22 duced for resale, and methods and means, including, but not  
23 limited to, public relations and other promotion techniques,  
24 for the maintenance of present markets, for the development  
25 of new or larger domestic or foreign markets, for the sale  
26 of turkeys, and for prevention, modification, or elimination  
27 of trade barriers which obstruct the free flow of such agricul-  
28 tural commodities to market. Market development includes  
29 providing promotion and research funds for Iowa's participa-  
30 tion in activities such as the national turkey federation,  
31 the eat more turkey campaign, the national turkey federation  
32 research fund and other activities as may be authorized by  
33 the council.

34 7. "Iowa turkey marketing council" or "council" means  
35 the council administrating promotion and research funds.

1 The council shall consist of the following seven members:

2 a. The Iowa secretary of agriculture or his representative.

3 b. The chairman of the poultry science department of the  
4 Iowa state university of science and technology.

5 c. The president of the Iowa turkey federation.

6 d. Four representatives selected from a list of eight  
7 names submitted by the Iowa turkey federation by the secretary  
8 of agriculture who shall represent the Iowa turkey industry.

9 Sec. 2. There is hereby imposed a fee upon each turkey  
10 delivered for processing in the state of Iowa. The rate of  
11 the fee imposed shall be one-half cent for each turkey weighing  
12 less than ten pounds live weight and one cent for each turkey  
13 weighing ten or more pounds live weight.

14 The fee shall be imposed on the producer and collected  
15 at the time of delivery of a turkey to the processing plant  
16 and shall be deducted by the processor at the time of delivery  
17 from the price paid to the producer at the time of the sale  
18 to the producer.

19 Sec. 3. At the time of delivery to the processing plant,  
20 the processor shall sign and deliver to the producer separate  
21 invoices for each purchase or such other records which will  
22 expedite collection of the fee. The invoices shall show:

23 1. The name and address of the producer and the seller,  
24 if different from the producer.

25 2. The name and address of the processor.

26 3. The quantity of turkeys sold.

27 4. The date of the delivery.

28 Invoices shall be legibly written and shall not be altered.

29 Sec. 4. The fee imposed by this Act shall be paid by the  
30 processor to the Iowa turkey marketing council. Amounts col-  
31 lected from the fee on turkeys shall be deposited in a bank  
32 authorized to do business in this state by the treasurer in  
33 an account to be known as the Iowa turkey account.

34 Sec. 5. The fee imposed by this Act shall be remitted  
35 by a processor to the treasurer monthly.

1     Sec. 6. After payment of expenses, in accordance with  
2 section nine (9) of this Act, all moneys in the Iowa turkey  
3 account may be used by the Iowa turkey marketing council for  
4 payment of claims based upon obligations incurred in market  
5 development on behalf of the turkey industry and such moneys  
6 are hereby appropriated for such purposes.

7     Sec. 7. The Iowa turkey account shall be subject at all  
8 times to warrant by the state comptroller, upon the written  
9 requisition of the chairman of the Iowa turkey marketing coun-  
10 cil, attested to by the secretary, and approved by the secre-  
11 tary of agriculture.

12    Sec. 8. Any producer who makes written application to  
13 the council, on forms provided by it, within sixty days after  
14 the date of delivery of turkeys to a processor, shall receive  
15 a refund of the amount of fee which was deducted.

16    Sec. 9. Moneys collected under authority of this Act shall  
17 be subject to audit by the auditor of state and shall be used  
18 by the council first for the payment of collection expenses  
19 and for payment of the costs and expenses arising in connec-  
20 tion with conducting any required referendums, and secondly  
21 by the turkey marketing council for market development.

22    Sec. 10. The fee imposed under the provisions of this  
23 Act shall terminate July 1, 1974 unless extended by referendum.

24    Not later than May 1, 1974, the secretary shall give notice  
25 and establish procedures to hold a referendum within the fol-  
26 lowing thirty-day period. During the referendum period, pro-  
27 ducers may vote on the question of extending the time for  
28 the fee imposed by this Act.

29    Sec. 11. Notice of a referendum on the question of whether  
30 to extend the fee shall be given by the secretary by publish-  
31 ing the notice for a period of not less than five days in  
32 a newspaper of general circulation in the state, and for a  
33 similar period in such other newspapers as the secretary  
34 prescribes. No referendum shall be commenced prior to five  
35 days after the last day of the period of publication. The

1 notice of referendum shall set forth the period and voting  
2 places for the referendum, and the amount of the fee. Each  
3 producer, upon signing a statement certifying that he is a  
4 bona fide producer, as defined in this Act, shall be entitled  
5 to one vote.

6 Sec. 12. At the close of the referendum period, the secre-  
7 tary shall count and tabulate the ballots cast during the  
8 period. If the secretary finds that a majority of the total  
9 number of votes by turkey producers favor extension of the  
10 fee, the fee shall be extended for a period of five additional  
11 years. If the secretary finds that a majority of producers  
12 do not favor extension, the fee shall expire July 1, 1974,  
13 except should fifty producers sign a petition to hold a second  
14 referendum, one additional referendum may be held before the  
15 fee expires.

16 Subsequent referendums to extend the imposition of the  
17 fee shall be held each five years until the first referendum  
18 fails to be approved, at which time any moneys remaining in  
19 the Iowa turkey account shall continue to be expended in  
20 accordance with the provisions of this Act until exhausted.

21 Sec. 13. Every administrator, employee, or other person  
22 occupying a position of trust under this Act, shall give bond  
23 in the amount required by the secretary, and the premiums  
24 for bonds shall be part of the costs of collecting the fee.

25 Sec. 14. Any person subject to the provisions of this  
26 Act shall furnish, on forms provided by the council, any  
27 information needed to enable the council and secretary to  
28 effectuate the policies of this Act. For the purpose of  
29 ascertaining the correctness of any report made to the council  
30 or secretary under the provisions of this Act, the secretary  
31 may examine books, papers, records, copies of tax returns,  
32 accounts, correspondence, contracts, or other documents and  
33 memoranda it deems relevant which are in the control of any  
34 person and which are not otherwise confidential as provided  
35 by law. The secretary may hold hearings, take testimony,

1 administer oaths, subpoena witnesses, and issue subpoenas  
2 duces tecum in connection with the administration of this  
3 Act.

4 Sec. 15. It is a misdemeanor for any person to willfully  
5 violate any provision of this Act, or for any person to will-  
6 fully render or furnish a false or fraudulent report, state-  
7 ment, or record required by the council or secretary.

8 Sec. 16. The secretary may enter into agreements with  
9 processors from outside Iowa for payment of the fee.

10 Sec. 17. During the period of imposition of the fee, the  
11 secretary, in cooperation with the auditor of state, shall  
12 make an annual report, on or before March 1 of each year,  
13 showing all income, expenses, and other relevant information.  
14 Such reports shall be available to the public.

15 Sec. 18. Section one hundred fifty-nine point twenty-five  
16 (159.25), Code 1971, is amended as follows:

17 159.25 MARKETING BOARD. There is hereby established an  
18 agriculture marketing board, to be thus known and designated.

19 The agriculture marketing board shall be composed of the  
20 secretary of agriculture and the dean of agriculture at Iowa  
21 state university of science and technology who shall serve  
22 as members of the advisory board without vote, and a producer  
23 member from each of the following statutory associations:  
24 Iowa swine producers association, Iowa turkey federation,  
25 Iowa beef cattle producers association, Iowa state sheep asso-  
26 ciation, Iowa poultry and hatchery association, Iowa state  
27 dairy association, Iowa crop improvement association, Iowa  
28 soybean association, Iowa corn growers association, and state  
29 horticulture society. The names of three persons shall be  
30 certified to the secretary of agriculture by the presidents  
31 of the Iowa swine producers association, Iowa turkey  
32 federation, Iowa beef cattle producers association, Iowa  
33 poultry and hatchery association, and state horticulture  
34 society by June 1 of each odd-numbered year. The secretary  
35 of agriculture shall appoint by July 1 one of these three

1 from each organization to the agriculture marketing board.  
2 Such an appointee shall serve for a period of two years  
3 beginning on July 1 of the year of his appointment and until  
4 his successor is appointed or qualified. Three names shall  
5 be submitted and appointments made in the same manner in even-  
6 numbered years for representation from the Iowa state dairy  
7 association, Iowa soybean association, Iowa corn growers  
8 association, Iowa state sheep association, and Iowa crop  
9 improvement association. Any vacancy occurring in the  
10 agriculture marketing board shall be filled within two months  
11 of the vacancy in the manner provided in this section.

12 Appointive members of the board shall receive actual neces-  
13 sary expenses and mileage at the rate of seven cents per mile  
14 incurred while engaged in the business of the agriculture  
15 marketing board.

16 Sec. 19. The Iowa turkey marketing council shall not be  
17 a state agency.

18 Sec. 20. This Act shall not be construed to authorize  
19 the Iowa turkey marketing council to operate with a deficit  
20 or use deficit financing for administration of this Act.

#### 21 EXPLANATION

22 The purpose of this bill is to create a fund to promote  
23 orderly production and marketing of turkeys within the state  
24 of Iowa. The moneys in this fund will come exclusively from  
25 the turkey producers in Iowa. No public moneys will be used.

26 It is a type of self-help legislation which is presently  
27 operating on other commodities within the state of Iowa.  
28 Minnesota, Missouri, and California presently have similar  
29 legislation for turkeys which is working successfully.

30 It should be emphasized that this Act does not involve  
31 the use of public funds but it is rather a voluntary industry  
32 program.

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