

## CHAPTER 182

## IOWA SHEEP AND WOOL PROMOTION BOARD

Referred to in [§159.6](#), [§173.3](#), [§179.5A](#)

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**182.1 Definitions.**

As used in [this chapter](#), unless the context otherwise requires:

1. “*Assessment*” means an excise tax on the sale of sheep or wool as provided in [this chapter](#).
2. “*Board*” means the Iowa sheep and wool promotion board established pursuant to [section 182.5](#).
3. “*Concentration point*” means a location or facility where sheep are assembled for purposes of sale or resale for feeding, breeding, or slaughtering, and where contact may occur between groups of sheep from various sources. “*Concentration point*” includes a public stockyard, auction market, street market, state or federal market, untested consignment sales location, buying station, or a livestock dealer’s yard, truck, or facility.
4. “*District*” means an official crop reporting district formed by the United States department of agriculture and set out in the annual farm census published by the Iowa department of agriculture and land stewardship.
5. “*First purchaser*” means a person who purchases sheep or wool from a producer.
6. “*Producer*” means a person who is actively engaged within this state in the business of producing or marketing sheep or wool and who receives income from the production of sheep or wool.
7. “*Sale*” or “*sold*” means a transaction in which the property in or to sheep or wool is transferred from the producer to a first purchaser for full or partial consideration.
8. “*Secretary*” means the secretary of agriculture.
9. “*Sheep*” means an animal of the ovine species, regardless of age, produced or marketed in this state.
10. “*Wool*” means the natural fiber produced by sheep.  
[85 Acts, ch 207, §1](#); [86 Acts, ch 1245, §631](#); [99 Acts, ch 50, §1 – 4](#); [2012 Acts, ch 1109, §1, 2, 7](#)  
Further definitions; see [§159.1](#)

**182.2 Petition for referendum election.**

Upon receipt of a petition signed by at least fifty producers in each district requesting a referendum by election to determine whether to establish the board and to impose an assessment, the secretary shall call a referendum to be conducted within sixty days following receipt of the petition.

[85 Acts, ch 207, §2](#); [99 Acts, ch 50, §5](#)

**182.3 Notice of referendum.**

The secretary shall give notice of the referendum on the question of whether to establish an Iowa sheep and wool promotion board and to impose the assessment by publishing the notice for a period of not less than five days in at least one newspaper of general circulation

in the state. The notice shall state the voting places, period of time for voting, and other information deemed necessary by the secretary.

A referendum shall not be commenced until five days after the last date of publication.

[85 Acts, ch 207, §3](#)

Referred to in [§182.13B](#)

#### **182.4 Establishment of sheep and wool promotion board — assessment — termination.**

1. Each producer who signs a statement certifying that the producer is a bona fide producer is entitled to one vote. At the close of the referendum, the secretary shall count and tabulate the ballots cast. If a majority of voters favor establishing an Iowa sheep and wool promotion board and imposing an assessment, an Iowa sheep and wool promotion board shall be established. The assessment shall be imposed commencing not more than sixty days following the referendum as determined by the Iowa sheep and wool promotion board, and shall continue until terminated by a referendum as provided in [subsection 2](#). If a majority of the voters do not favor establishing an Iowa sheep and wool promotion board and imposing the assessment, the assessment shall not be imposed and the board shall not be established until another referendum is held under [this chapter](#) and a majority of the voters favor establishing a board and imposing the assessment. If a referendum fails, another referendum shall not be held within one hundred eighty days.

2. Upon receipt of a petition signed by at least twenty-five producers in each district requesting a referendum election to determine whether to terminate the establishment of the Iowa sheep and wool promotion board and to terminate the imposition of the assessment, the secretary shall call a referendum to be conducted within sixty days following the receipt of the petition. The petitioners shall guarantee the payment of the costs of a referendum held under [this subsection](#). If the majority of the voters of a referendum do not favor termination, an additional referendum may be held when the secretary receives a petition signed by at least twenty-five producers in each district. However, the additional referendum shall not be held within one hundred eighty days.

[85 Acts, ch 207, §4](#)

Referred to in [§182.13B](#)

#### **182.5 Composition of board.**

The Iowa sheep and wool promotion board established under [this chapter](#) shall be composed of nine producers, one from each district. The dean of the college of agriculture and life sciences of Iowa state university of science and technology or the dean's representative and the secretary or the secretary's designee shall serve as ex officio nonvoting members of the board. The board shall annually elect a chairperson from its membership.

[85 Acts, ch 207, §5; 2008 Acts, ch 1032, §31](#)

Referred to in [§182.1](#)

#### **182.6 Nominations for initial board.**

Candidates for positions on the initial board are nominated by filing a petition with the secretary containing the signatures of at least twenty-five producers in the candidate's district qualified to vote on the referendum. Candidates shall be resident producers of the district from which they are nominated. The secretary shall receive the nominations, and shall call an election for members of the initial board within thirty days following passage of the question at the referendum election.

[85 Acts, ch 207, §6](#)

#### **182.7 Notice of election for directors.**

Notice of the initial election for directors of the board shall be given by the secretary by publication in a newspaper of general circulation in the state at least five days prior to the date of the election and in any other reasonable manner as determined by the secretary. The notice shall set forth the period of time for voting, voting places, and other information as the secretary deems necessary.

Notice of subsequent elections for the membership position for a district shall be given by the board by publication in a newspaper of general circulation in the district and in any

other reasonable manner as determined by the board and shall set forth the period of time for voting, voting places, and other information as the board deems necessary.

[85 Acts, ch 207, §7](#)

#### **182.8 Terms.**

The term of office for members of the board shall be three years and no member shall serve more than two complete consecutive terms. The producers on the initial board shall determine their terms by lot, so that three producers shall serve a one-year term, three producers shall serve a two-year term, and three producers shall serve a three-year term.

[85 Acts, ch 207, §8](#)

#### **182.9 Subsequent membership — nominations — election.**

After the appointment of the initial board, the board shall administer subsequent elections for members of the board with the assistance of the secretary. Before the expiration of a member's term of office, the board shall appoint a nominating committee for the district represented by the member. The nominating committee shall consist of five producers who are residents of the district from which a member must be elected. The nominating committee shall nominate two resident producers as candidates for the membership position for which an election is to be held. Additional candidates may be nominated by a written petition of twenty-five resident producers. The board shall provide by rule and shall publish procedures governing the time and place of filing the nominations.

[85 Acts, ch 207, §9](#)

#### **182.10 Vacancies.**

The board shall by appointment fill an unexpired term if a vacancy occurs on the board. The appointee shall be a resident producer in the district having a vacancy.

[85 Acts, ch 207, §10](#)

#### **182.11 Purposes of board.**

The purposes of the board shall be to:

1. Enter into contracts or agreements with or make grants to recognized and qualified agencies, individuals, or organizations for the development and carrying out of research and education programs directed toward better and more efficient production, marketing, and utilization of sheep and wool and their products.
2. Provide methods and means, including, but not limited to, public relations and other promotion techniques for the maintenance of present markets.
3. Assist in development of new or larger markets, both domestic and foreign, for sheep and wool and their products.

[85 Acts, ch 207, §11](#)

Referred to in [§182.18](#)

#### **182.12 Powers and duties.**

The board may:

1. Administer and enforce [this chapter](#) and perform acts reasonably necessary to effectuate the purposes of [this section](#).
2. Employ and discharge assistants and professional counsel as necessary, prescribe their duties and powers, and fix their compensation.
3. Establish offices, incur expenses, and enter into any contracts or agreements necessary to carry out the purposes of [this chapter](#).
4. Adopt, rescind, and amend all proper and necessary rules for the exercise of its powers and duties.
5. Enter into arrangements for collection of the assessment on sheep and wool.
6. Formulate and execute assessment procedures and methods of collection.
7. Receive and investigate complaints and violations of [this chapter](#) and take necessary action.

8. Confer and cooperate with legally constituted authorities of other states and the United States.

9. Establish accounts in adequately protected financial institutions to receive, hold, and disburse board moneys.

[85 Acts, ch 207, §12](#)

Referred to in [§182.13B](#), [§182.16](#)

### **182.13 Compensation — meetings.**

Members of the board may receive payment for their actual expenses and travel in performing official board functions. Payment shall be made from amounts collected from the assessment. No member of the board shall be a salaried employee of the board or any organization or agency receiving funds from the board. The board shall meet at least once every three months, and at other times it deems necessary.

[85 Acts, ch 207, §13](#)

Referred to in [§182.24](#)

### **182.13A Not a state agency.**

The Iowa sheep and wool promotion board is not an agency of state government.

[93 Acts, ch 102, §2](#)

### **182.13B Assessment rate.**

1. If a majority of voters at a referendum conducted pursuant to [section 182.4](#) approve the establishment of an Iowa sheep and wool promotion board and the imposition of an assessment, the assessment shall be imposed on wool and sheep at the following rates:

- a. For wool, two cents imposed on each pound of wool sold by a producer.
- b. For sheep, ten cents imposed on each head of sheep sold by a producer.

2. a. Notwithstanding [subsection 1](#), upon a resolution adopted by the board, the secretary shall call a special referendum for voters to authorize increasing the assessment rate imposed on sheep as provided in [this section](#).

b. The special referendum shall be conducted in the same manner as a referendum conducted upon receipt of a petition as provided in [this chapter](#), unless otherwise provided in the board's resolution. Only producers are eligible to vote in an election and each producer is entitled to one vote.

3. The special referendum conducted pursuant to [subsection 2](#) shall allow a voter to cast a ballot for the following two questions:

- a. For the first question, whether to authorize an increase in the assessment rate to twenty-five cents imposed on each head of sheep.
- b. For the second question, if the first question is approved by a majority of voters, whether to also authorize the board to increase that assessment rate by future resolution as provided in [this section](#).

4. If a majority of voters approve the first question, twenty-five cents shall be imposed on each head of sheep sold by a producer as effectuated by the board pursuant to [section 182.12](#).

5. If a majority of voters approve both the first and second questions, all of the following apply:

a. Twenty-five cents shall be imposed on each head of sheep sold by a producer as effectuated by the board pursuant to [section 182.12](#).

b. The board may adopt one or more resolutions to further impose an increased assessment rate. The increased assessment rate shall be imposed on each head of sheep sold by a producer as effectuated by the board pursuant to [section 182.12](#). The board shall comply with all of the following:

(1) The board must wait three or more years from the effective date of the previous action imposing an increase in order to adopt a resolution. For the first increase, the effective date is the date of the special referendum. For any subsequent increase, the effective date is the date that the board last adopted a resolution imposing an increased rate as provided in this paragraph "b".

(2) The board shall not adopt a resolution until it provides notice to producers of the proposed increase and an opportunity for producers to submit written or oral comments to

the board regarding the proposed increase. The board may provide notice by publication in the same manner as provided in [section 182.3](#), publication on its internet site, mail bearing a United States postal service postmark, electronic transmission, or hand-delivery.

(3) The increase in the assessment rate imposed by a resolution adopted by the board must equal five cents. However, the assessment rate imposed by a resolution of the board shall not equal more than fifty cents.

6. a. If a majority of voters do not authorize increasing the assessment rate pursuant to a special referendum conducted pursuant to [this section](#), the assessment rate shall be the same as provided in [subsection 1](#).

b. Not more than one special referendum shall be conducted pursuant to [this section](#).

[2012 Acts, ch 1109, §3, 6, 7](#)

Effect of 2012 enactment of subsection 1; [2012 Acts, ch 1109, §6, 7](#)

#### **182.14 Assessment.**

1. An assessment provided in [this chapter](#) shall be imposed on the producer as follows:

a. If the producer sells wool or sheep to the first purchaser within this state, the following shall apply:

(1) If the sale occurs at a concentration point, the assessment shall be imposed at the time of delivery. The first purchaser shall deduct the assessment from the price paid to the producer at the time of sale.

(2) If the sale does not occur at a concentration point, the producer shall deduct the assessment from the amount received from the sale and shall forward the amount deducted to the board within thirty days following each calendar quarter.

b. If the producer sells, ships, or otherwise disposes of wool or sheep to any person outside this state, the producer shall deduct the assessment from the amount received from the sale and shall forward the amount deducted to the board.

2. The assessment imposed by [this section](#) shall be remitted to the board not later than thirty days following each calendar quarter during which the assessment amount was deducted.

[85 Acts, ch 207, §14; 99 Acts, ch 50, §6; 2000 Acts, ch 1154, §16; 2012 Acts, ch 1109, §4 – 7](#)

Referred to in [§182.16](#)

Effect of 2012 strike of former subsection 1; [2012 Acts, ch 1109, §6, 7](#)

#### **182.15 Invoice required.**

1. At the time of sale, the first purchaser shall sign and deliver to the producer separate invoices for each purchase. The invoices shall show:

a. The name and address of the producer and the seller, if different from the producer.

b. The name and address of the first purchaser.

c. The pounds of wool or head of sheep sold.

d. The date of the purchase.

e. The rate of withholding and the total amount of the assessment withheld.

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

[85 Acts, ch 207, §15; 99 Acts, ch 50, §7; 2009 Acts, ch 41, §263](#)

#### **182.16 Deposit and disbursement of funds.**

The board shall deposit amounts collected from the assessment imposed pursuant to [section 182.14](#) in an account established pursuant to [section 182.12](#). Expenses and disbursements incurred and made pursuant to [this chapter](#) shall be made by voucher, draft, or check bearing the signature of a person designated by majority vote of the board.

[85 Acts, ch 207, §16; 99 Acts, ch 50, §8](#)

#### **182.17 Refunds.**

A producer who has paid the assessment may, by application in writing to the board, secure a refund of all or part of the amount paid. The refund shall be payable only when the application has been made to the board within sixty days after the deduction has been made by the producer or within sixty days after the remittance has been made by the first purchaser. Each application for refund by a producer shall have attached proof that the

assessment was paid. The proof of the assessment paid may be in the form of a duplicate or certified copy of the purchase invoice by the purchaser.

[85 Acts, ch 207, §17](#)

Right to refund not subject to execution or transfer; §179.5A

#### **182.18 Use of moneys.**

1. Moneys collected under [this chapter](#) are subject to audit by the auditor of state and shall be used by the Iowa sheep and wool promotion board first for the payment of collection and refund expenses, second for payment of the costs and expenses arising in connection with conducting referendums, third for the purposes identified in [section 182.11](#), and fourth for the cost of audits for the auditor of state. Moneys of the board remaining after a referendum is held at which a majority of the voters favor termination of the board and the assessment shall continue to be expended in accordance with [this chapter](#) until exhausted. The auditor of state may seek reimbursement for the cost of the audit.

2. The board shall not engage in any political activity, and it shall be a condition of any allocation of funds that any organization receiving funds shall not expend the funds on political activity or on any attempt to influence legislation.

[85 Acts, ch 207, §18; 2010 Acts, ch 1189, §31](#)

#### **182.19 Bond required.**

All persons holding positions of trust under [this chapter](#) shall give bond in the amount required by the board. The premiums for bond costs shall be paid from the moneys of the board.

[85 Acts, ch 207, §19](#)

#### **182.20 Examination of records.**

Persons subject to [this chapter](#) shall furnish on forms provided by the board information needed to enable the board to effectuate the policies of [this chapter](#). For the purpose of ascertaining the correctness of a report made to the board under [this chapter](#), the secretary may examine books, papers, records, copies of tax returns not confidential by law, and accounts, which are in the control of any person. The secretary may hold hearings, take testimony, administer oaths, subpoena witnesses, and issue subpoenas in connection with the administration of [this chapter](#).

[85 Acts, ch 207, §20](#)

#### **182.21 Penalty.**

A person who willfully violates a provision of [this chapter](#), willfully gives a false report, statement, or record required by the board, or willfully fails to furnish or render a report, statement or record required by the secretary is guilty of a simple misdemeanor.

[85 Acts, ch 207, §21](#)

#### **182.22 Purchasers outside Iowa.**

The secretary may enter into arrangements with first purchasers from outside Iowa for payment of the assessment.

[85 Acts, ch 207, §22](#)

#### **182.23 Report.**

During the period of collection of the assessment, the board in cooperation with the auditor of state shall make an annual report which shall show all income, expenses and other relevant information.

[85 Acts, ch 207, §23](#)

#### **182.24 Board member disclosure.**

Notwithstanding [section 182.13](#), a member of the board may receive compensation, including a salary, from an organization or agency, including an educational institution, receiving funds from the board. If a member of the board has a pecuniary interest, either direct or indirect, in a matter considered by the board, the interest shall be disclosed by

the member to the board and included in the minutes for that meeting of the board. The member having the pecuniary interest shall not participate in an action taken by the board on the matter.

[88 Acts, ch 1284, §66](#)