

*Reprinted 4/2/85*

MAR 20 1985

HOUSE FILE 677

Place On Calendar

BY COMMITTEE ON AGRICULTURE

(Formerly House Study Bill 300)

Passed House, Date 3-29-85 (p.1180) Passed Senate, Date 4-17-85 (p.1464)

Vote: Ayes 89 Nays 0 Vote: Ayes 46 Nays 0

Approved May 28, 1985

### A BILL FOR

1 An Act creating an Iowa sheep and wool promotion board, and  
2 providing a penalty.

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

HOUSE FILE 677

H-3498

- 1 Amend House File 677 as follows:
- 2 1. Page 2, by striking lines 6 and 7.

BY ZIMMERMAN of Dallas  
FOGARTY of Palo Alto

H-3498 FILED MARCH 27, 1985

*Adopted 3/29/85 (p.1174)*

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1 Section 1. NEW SECTION. 182.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise  
3 requires:

4 1. "Affected producer" means a person defined as a  
5 producer who is subject to the assessment pursuant to section  
6 182.14.

7 2. "Board" means the Iowa sheep and wool promotion board  
8 established pursuant to section 182.5.

9 3. "District" means an official crop reporting district  
10 formed by the United States department of agriculture and set  
11 out in the annual farm census published by the Iowa department  
12 of agriculture.

13 4. "Eligible voter" means a person who has been a producer  
14 for the three hundred sixty-five days preceding the date of a  
15 referendum conducted pursuant to section 182.4.

16 5. "First purchaser" means a person who resells sheep or  
17 wool purchased from a producer or offers for sale a product  
18 produced from the sheep or wool for any purpose.

19 6. "Producer" means a person who is actively engaged  
20 within this state in the business of producing or marketing  
21 sheep or wool and who receives income from the production of  
22 sheep or wool.

23 7. "Sale" or "sold" means a transaction in which the  
24 property in or to sheep or wool is transferred from the  
25 producer to a first purchaser for full or partial considera-  
26 tion.

27 8. "Secretary" means the secretary of agriculture.

28 9. "Sheep" means an animal of the ovine species,  
29 regardless of age, produced or marketed in this state for  
30 slaughter.

31 10. "Wool" means the natural fiber produced by sheep.

32 Sec. 2. NEW SECTION. 182.2 PETITION FOR ELECTION.

33 Upon receipt of a petition signed by at least fifty  
34 producers in each district requesting a referendum election to  
35 determine whether to establish an Iowa sheep and wool

1 promotion board and to impose an assessment not to exceed two  
2 cents on every pound of wool produced and sold by a producer  
3 and ten cents per head on all sheep sold for slaughter by a  
4 producer, the secretary shall call a referendum to be  
5 conducted within sixty days following receipt of the petition.  
6 The petitioners shall guarantee payment of the cost of a  
7 referendum held under this chapter.

8 Sec. 3. NEW SECTION. 182.3 NOTICE OF REFERENDUM.

9 The secretary shall give notice of the referendum on the  
10 question of whether to establish an Iowa sheep and wool  
11 promotion board and to impose the assessment by publishing the  
12 notice for a period of not less than five days in at least one  
13 newspaper of general circulation in the state. The notice  
14 shall state the voting places, period of time for voting, and  
15 other information deemed necessary by the secretary.

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

18 Sec. 4. NEW SECTION. 182.4 ESTABLISHMENT OF SHEEP AND  
19 WOOL PROMOTION BOARD AND TAX.

20 1. Each producer who signs a statement certifying that the  
21 producer is a bona fide producer is entitled to one vote. At  
22 the close of the referendum, the secretary shall count and  
23 tabulate the ballots cast. If a majority of voters favor  
24 establishing an Iowa sheep and wool promotion board and  
25 imposing an assessment, an Iowa sheep and wool promotion board  
26 shall be established. The assessment shall be imposed  
27 commencing not more than sixty days following the referendum  
28 as determined by the Iowa sheep and wool promotion board, and  
29 shall continue until terminated by a referendum as provided in  
30 subsection 2. If a majority of the voters do not favor  
31 establishing an Iowa sheep and wool promotion board and  
32 imposing the assessment, the assessment shall not be imposed  
33 and the board shall not be established until another  
34 referendum is held under this chapter and a majority of the  
35 voters favor establishing a board and imposing the assessment.

1 If a referendum fails, another referendum shall not be held  
2 within one hundred eighty days.

3 2. Upon receipt of a petition signed by at least twenty-  
4 five producers in each district requesting a referendum  
5 election to determine whether to terminate the establishment  
6 of the Iowa sheep and wool promotion board and to terminate  
7 the imposition of the assessment, the secretary shall call a  
8 referendum to be conducted within sixty days following the  
9 receipt of the petition. The petitioners shall guarantee the  
10 payment of the costs of a referendum held under this  
11 subsection. If the majority of the voters of a referendum do  
12 not favor termination, an additional referendum may be held  
13 when the secretary receives a petition signed by at least  
14 twenty-five producers in each district. However, the  
15 additional referendum shall not be held within one hundred  
16 eighty days.

17 Sec. 5. NEW SECTION. 182.5 COMPOSITION OF BOARD.

18 The Iowa sheep and wool promotion board established under  
19 this chapter shall be composed of nine producers, one from  
20 each district. The dean of the college of agriculture of Iowa  
21 state university of science and technology or the dean's  
22 representative and the secretary or the secretary's designee  
23 shall serve as ex officio nonvoting members of the board. The  
24 board shall annually elect a chairperson from its membership.

25 Sec. 6. NEW SECTION. 182.6 INITIAL BOARD.

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

35 Sec. 7. NEW SECTION. 182.7 ELECTION FOR DIRECTORS.

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

8 Notice of subsequent elections for the membership position  
9 for a district shall be given by the board by publication in a  
10 newspaper of general circulation in the district and in any  
11 other reasonable manner as determined by the board and shall  
12 set forth the period of time for voting, voting places, and  
13 other information as the board deems necessary.

14 Sec. 8. NEW SECTION. 182.8 TERMS.

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

21 Sec. 9. NEW SECTION. 182.9 SUBSEQUENT MEMBERSHIP.

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

1        Sec. 10. NEW SECTION. 182.10 VACANCIES.

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

5        Sec. 11. NEW SECTION. 182.11 PURPOSES OF BOARD.

6        The purposes of the board shall be to:

7        1. Enter into contracts or agreements with or make grants  
8 to recognized and qualified agencies, individuals, or  
9 organizations for the development and carrying out of research  
10 and education programs directed toward better and more  
11 efficient production, marketing, and utilization of sheep and  
12 wool and their products.

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

16       3. Assist in development of new or larger markets, both  
17 domestic and foreign, for sheep and wool and their products.

18       Sec. 12. NEW SECTION. 182.12 POWERS AND DUTIES.

19       The board may:

20       1. Administer and enforce this chapter and perform acts  
21 reasonably necessary to effectuate the purposes of this  
22 section.

23       2. Employ and discharge assistants and professional  
24 counsel as necessary, prescribe their duties and powers, and  
25 fix their compensation.

26       3. Establish offices, incur expenses, and enter into any  
27 contracts or agreements necessary to carry out the purposes of  
28 this chapter.

29       4. Adopt, rescind, and amend all proper and necessary  
30 rules for the exercise of its powers and duties.

31       5. Enter into arrangements for collection of the  
32 assessment on sheep and wool.

33       6. Formulate and execute assessment procedures and methods  
34 of collection.

35       7. Receive and investigate complaints and violations of

1 this chapter and take necessary action.

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

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

6 Sec. 13. NEW SECTION. 182.13 COMPENSATION.

7 Members of the board may receive payment for their actual  
8 expenses and travel in performing official board functions.

9 Payment shall be made from amounts collected from the  
10 assessment. No member of the board shall be a salaried  
11 employee of the board or any organization or agency receiving  
12 funds from the board. The board shall meet at least once  
13 every three months, and at other times it deems necessary.

14 Sec. 14. NEW SECTION. 182.14 ASSESSMENT.

15 If approved by a majority of voters at a referendum, an  
16 assessment to be set by the board at not more than two cents  
17 for each pound of wool produced and sold by a producer and not  
18 more than ten cents per head on sheep sold for slaughter by a  
19 producer shall be imposed on the producer at the time of  
20 delivery to the first purchaser who will deduct the assessment  
21 from the price paid to the producer at the time of sale. If  
22 the producer sells, ships, or otherwise disposes of wool or  
23 sheep for slaughter to a first purchaser or other person  
24 outside the state of Iowa, the producer shall deduct the  
25 assessment from the amount received from the sale and shall  
26 forward the amount deducted to the board within thirty days  
27 following each calendar quarter. If the producer and the  
28 first purchaser are the same person, then that person shall  
29 pay the assessment to the board within thirty days following  
30 each calendar quarter.

31 Sec. 15. NEW SECTION. 182.15 INVOICE REQUIRED.

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

35 1. The name and address of the producer and the seller, if

1 different from the producer.

2 2. The name and address of the first purchaser.

3 3. The pounds of wool or head of sheep for slaughter sold.

4 4. The date of the purchase.

5 5. The rate of withholding and the total amount of the  
6 assessment withheld.

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

8 Sec. 16. NEW SECTION. 182.16 FUNDS.

9 Subject to section 182.14, the assessment imposed by this  
10 chapter shall be remitted by the purchaser to the Iowa sheep  
11 and wool promotion board not later than thirty days following  
12 each calendar quarter during which the assessment was  
13 collected. Amounts collected from the assessment shall be  
14 deposited in an account established pursuant to section  
15 182.12, subsection 9. Expenses and disbursements incurred and  
16 made pursuant to this chapter shall be made by voucher, draft,  
17 or check bearing the signature of a person designated by  
18 majority vote of the board.

19 Sec. 17. NEW SECTION. 182.17 REFUNDS.

20 A producer who has paid the assessment may, by application  
21 in writing to the board, secure a refund of all or part of the  
22 amount paid. The refund shall be payable only when the  
23 application has been made to the board within sixty days after  
24 the deduction has been made by the producer or within sixty  
25 days after the remittance has been made by the first  
26 purchaser. Each application for refund by a producer shall  
27 have attached proof that the assessment was paid. The proof  
28 of the assessment paid may be in the form of a duplicate or  
29 certified copy of the purchase invoice by the purchaser.

30 Sec. 18. NEW SECTION. 182.18 USE OF MONEYS.

31 Moneys collected under this chapter are subject to audit by  
32 the auditor of state and shall be used by the Iowa sheep and  
33 wool promotion board first for the payment of collection and  
34 refund expenses, second for payment of the costs and expenses  
35 arising in connection with conducting referendums, and third

1 for the purposes identified in section 182.11. Moneys of the  
2 board remaining after a referendum is held at which a majority  
3 of the voters favor termination of the board and the  
4 assessment shall continue to be expended in accordance with  
5 this chapter until exhausted.

6 Sec. 19. NEW SECTION. 182.19 BOND REQUIRED.

7 All persons holding positions of trust under this chapter  
8 shall give bond in the amount required by the board. The  
9 premiums for bond costs shall be paid from the moneys of the  
10 board.

11 Sec. 20. NEW SECTION. 182.20 EXAMINATION OF RECORDS.

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

22 Sec. 21. NEW SECTION. 182.21 PENALTY.

23 A person who willfully violates a provision of this  
24 chapter, willfully gives a false report, statement, or record  
25 required by the board, or willfully fails to furnish or render  
26 a report, statement or record required by the secretary is  
27 guilty of a simple misdemeanor.

28 Sec. 22. NEW SECTION. 182.22 PURCHASERS OUTSIDE IOWA.

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

31 Sec. 23. NEW SECTION. 182.23 REPORT.

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

EXPLANATION

1  
2 This bill provides for an Iowa sheep and wool promotion  
3 board. Section 1 sets forth definitions. Sections 2, 3, and  
4 4 provide for the procedures of petition and referendum on the  
5 question of whether the board should be established and the  
6 assessment levied. The board, if approved, is made up of nine  
7 members, plus the dean of the college of agriculture at Iowa  
8 state university as an ex officio member, as provided in  
9 section 5 of this bill. Sections 6 and 7 of the bill outline  
10 the requirements for elections to the board. The terms of  
11 board positions, defined in section 8, are for three years.  
12 Vacancies are filled as stated in sections 9 and 10. Sections  
13 11 and 12 outline the purposes, powers, and duties of the  
14 board, which include acts to improve the production and  
15 marketing of sheep and wool. Board members are entitled to  
16 payment of expenses.

17 Section 14 limits an approved assessment to two cents per  
18 pound of wool and ten cents per head of sheep, and sets forth  
19 the time of collection. The funds go into an account estab-  
20 lished by the board. Refunds may be made under section 17.  
21 Certain statements are required to be submitted to the board.  
22 A violation of a provision of the chapter is, according to  
23 section 21, a simple misdemeanor. The board in cooperation  
24 with the auditor of state is required to prepare an annual  
25 report.

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*Van. State Board 4/2/85 D. Pass 4/10 (p. 1205)*

House File 677

STATE GOVERNMENT: Coleman, Chair: Drake and Rife

HOUSE FILE 677

BY COMMITTEE ON AGRICULTURE

(As Amended and Passed by the House March 29, 1985)

Passed House, Date 4-26-85 (p. 1440) Passed Senate, Date 4-17-85 (p. 1464)  
Vote: Ayes 94 Nays 0 Vote: Ayes 46 Nays 0  
Approved May 28, 1985

### A BILL FOR

- 1 An Act creating an Iowa sheep and wool promotion board, and
- 2 providing a penalty.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S-3727

HOUSE FILE 677

- 1 Amend House File 677 as amended, passed, and
- 2 reprinted by the House as follows:
- 3 1. Page 8, by inserting after line 3 the
- 4 following:
- 5 "The board shall not engage in any political
- 6 activity, and it shall be a condition of any
- 7 allocation of funds that any organization receiving
- 8 funds shall not expend the funds on political activity
- 9 or on any attempt to influence legislation."

S-3727 Filed April 12, 1985  
*Adopted 4/17/85 (p. 1464)*

BY VANDE HOEF

SENATE AMENDMENT TO HOUSE FILE 677

H-3918

- 1 Amend House File 677 as amended, passed, and
- 2 reprinted by the House as follows:
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- 4 following:
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- 6 activity, and it shall be a condition of any
- 7 allocation of funds that any organization receiving
- 8 funds shall not expend the funds on political activity
- 9 or on any attempt to influence legislation."

H-3918 FILED APRIL 19, 1985

RECEIVED FROM THE SENATE

*Van. committee 4/26/85 (p. 1439)*

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2 As used in this chapter, unless the context otherwise  
3 requires:

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10 formed by the United States department of agriculture and set  
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14 for the three hundred sixty-five days preceding the date of a  
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17 wool purchased from a producer or offers for sale a product  
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20 within this state in the business of producing or marketing  
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24 property in or to sheep or wool is transferred from the  
25 producer to a first purchaser for full or partial considera-  
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28 9. "Sheep" means an animal of the ovine species,  
29 regardless of age, produced or marketed in this state for  
30 slaughter.

31 10. "Wool" means the natural fiber produced by sheep.

32 Sec. 2. NEW SECTION. 182.2 PETITION FOR ELECTION.

33 Upon receipt of a petition signed by at least fifty  
34 producers in each district requesting a referendum election to  
35 determine whether to establish an Iowa sheep and wool

1 promotion board and to impose an assessment not to exceed two  
2 cents on every pound of wool produced and sold by a producer  
3 and ten cents per head on all sheep sold for slaughter by a  
4 producer, the secretary shall call a referendum to be  
5 conducted within sixty days following receipt of the petition.

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8 question of whether to establish an Iowa sheep and wool  
9 promotion board and to impose the assessment by publishing the  
10 notice for a period of not less than five days in at least one  
11 newspaper of general circulation in the state. The notice  
12 shall state the voting places, period of time for voting, and  
13 other information deemed necessary by the secretary.

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15 the last date of publication.

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17 WOOL PROMOTION BOARD AND TAX.

18 1. Each producer who signs a statement certifying that the  
19 producer is a bona fide producer is entitled to one vote. At  
20 the close of the referendum, the secretary shall count and  
21 tabulate the ballots cast. If a majority of voters favor  
22 establishing an Iowa sheep and wool promotion board and  
23 imposing an assessment, an Iowa sheep and wool promotion board  
24 shall be established. The assessment shall be imposed  
25 commencing not more than sixty days following the referendum  
26 as determined by the Iowa sheep and wool promotion board, and  
27 shall continue until terminated by a referendum as provided in  
28 subsection 2. If a majority of the voters do not favor  
29 establishing an Iowa sheep and wool promotion board and  
30 imposing the assessment, the assessment shall not be imposed  
31 and the board shall not be established until another  
32 referendum is held under this chapter and a majority of the  
33 voters favor establishing a board and imposing the assessment.  
34 If a referendum fails, another referendum shall not be held  
35 within one hundred eighty days.

1 2. Upon receipt of a petition signed by at least twenty-  
2 five producers in each district requesting a referendum  
3 election to determine whether to terminate the establishment  
4 of the Iowa sheep and wool promotion board and to terminate  
5 the imposition of the assessment, the secretary shall call a  
6 referendum to be conducted within sixty days following the  
7 receipt of the petition. The petitioners shall guarantee the  
8 payment of the costs of a referendum held under this  
9 subsection. If the majority of the voters of a referendum do  
10 not favor termination, an additional referendum may be held  
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12 twenty-five producers in each district. However, the  
13 additional referendum shall not be held within one hundred  
14 eighty days.

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17 this chapter shall be composed of nine producers, one from  
18 each district. The dean of the college of agriculture of Iowa  
19 state university of science and technology or the dean's  
20 representative and the secretary or the secretary's designee  
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22 board shall annually elect a chairperson from its membership.

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

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34 Notice of the initial election for directors of the board  
35 shall be given by the secretary by publication in a newspaper

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5 information as the secretary deems necessary.

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14 years and no member shall serve more than two complete  
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21 administer subsequent elections for members of the board with  
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11 every three months, and at other times it deems necessary.

12 Sec. 14. NEW SECTION. 182.14 ASSESSMENT.

13 If approved by a majority of voters at a referendum, an  
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21 sheep for slaughter to a first purchaser or other person  
22 outside the state of Iowa, the producer shall deduct the  
23 assessment from the amount received from the sale and shall  
24 forward the amount deducted to the board within thirty days  
25 following each calendar quarter. If the producer and the  
26 first purchaser are the same person, then that person shall  
27 pay the assessment to the board within thirty days following  
28 each calendar quarter.

29 Sec. 15. NEW SECTION. 182.15 INVOICE REQUIRED.

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

33 1. The name and address of the producer and the seller, if  
34 different from the producer.

35 2. The name and address of the first purchaser.

1 3. The pounds of wool or head of sheep for slaughter sold.

2 4. The date of the purchase.

3 5. The rate of withholding and the total amount of the  
4 assessment withheld.

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

6 Sec. 16. NEW SECTION. 182.16 FUNDS.

7 Subject to section 182.14, the assessment imposed by this  
8 chapter shall be remitted by the purchaser to the Iowa sheep  
9 and wool promotion board not later than thirty days following  
10 each calendar quarter during which the assessment was  
11 collected. Amounts collected from the assessment shall be  
12 deposited in an account established pursuant to section  
13 182.12, subsection 9. Expenses and disbursements incurred and  
14 made pursuant to this chapter shall be made by voucher, draft,  
15 or check bearing the signature of a person designated by  
16 majority vote of the board.

17 Sec. 17. NEW SECTION. 182.17 REFUNDS.

18 A producer who has paid the assessment may, by application  
19 in writing to the board, secure a refund of all or part of the  
20 amount paid. The refund shall be payable only when the  
21 application has been made to the board within sixty days after  
22 the deduction has been made by the producer or within sixty  
23 days after the remittance has been made by the first  
24 purchaser. Each application for refund by a producer shall  
25 have attached proof that the assessment was paid. The proof  
26 of the assessment paid may be in the form of a duplicate or  
27 certified copy of the purchase invoice by the purchaser.

28 Sec. 18. NEW SECTION. 182.18 USE OF MONEYS.

29 Moneys collected under this chapter are subject to audit by  
30 the auditor of state and shall be used by the Iowa sheep and  
31 wool promotion board first for the payment of collection and  
32 refund expenses, second for payment of the costs and expenses  
33 arising in connection with conducting referendums, and third  
34 for the purposes identified in section 182.11. Moneys of the  
35 board remaining after a referendum is held at which a majority

1 of the voters favor termination of the board and the  
2 assessment shall continue to be expended in accordance with  
3 this chapter until exhausted.

4 Sec. 19. NEW SECTION. 182.19 BOND REQUIRED.

5 All persons holding positions of trust under this chapter  
6 shall give bond in the amount required by the board. The  
7 premiums for bond costs shall be paid from the moneys of the  
8 board.

9 Sec. 20. NEW SECTION. 182.20 EXAMINATION OF RECORDS.

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

20 Sec. 21. NEW SECTION. 182.21 PENALTY.

21 A person who willfully violates a provision of this  
22 chapter, willfully gives a false report, statement, or record  
23 required by the board, or willfully fails to furnish or render  
24 a report, statement or record required by the secretary is  
25 guilty of a simple misdemeanor.

26 Sec. 22. NEW SECTION. 182.22 PURCHASERS OUTSIDE IOWA.

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

29 Sec. 23. NEW SECTION. 182.23 REPORT.

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

34

35

HSB 300

Agriculture

Study Bill 300

Agriculture: Zimmerman, Chair; Hughes and Van Maanen.

*From  
HF 677*

HOUSE FILE 677

BY (PROPOSED COMMITTEE ON AGRICULTURE BILL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

### A BILL FOR

1 An Act creating an Iowa sheep and wool promotion board, and  
2 providing a penalty.

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

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1 Section 1. NEW SECTION. 182.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise  
3 requires:

4 1. "Affected producer" means a person defined as a  
5 producer who is subject to the assessment pursuant to section  
6 182.15.

7 2. "Board" means the Iowa sheep and wool promotion board  
8 established pursuant to section 182.5.

9 3. "District" means an official crop reporting district  
10 formed by the United States department of agriculture and set  
11 out in the annual farm census published by the Iowa department  
12 of agriculture.

13 4. "Eligible voter" means a person who has been a producer  
14 for the three hundred sixty-five days preceding the date of a  
15 referendum conducted pursuant to section 182.4.

16 5. "First purchaser" means a person who resells sheep or  
17 wool purchased from a producer or offers for sale a product  
18 produced from the sheep or wool for any purpose.

19 6. "Producer" means a person who is actively engaged in  
20 the business of producing or marketing sheep or wool and who  
21 receives income from the production of sheep or wool.

22 7. "Sale" or "sold" means a transaction in which the  
23 property in or to sheep or wool is transferred from the  
24 producer to a first purchaser for full or partial considera-  
25 tion.

26 8. "Secretary" means the secretary of agriculture.

27 9. "Sheep" means an animal of the ovine species,  
28 regardless of age.

29 10. "Wool" means the natural fiber produced by sheep.

30 Sec. 2. NEW SECTION. 182.2 PETITION FOR ELECTION.

31 Upon receipt of a petition signed by at least fifty  
32 producers in each district requesting a referendum election to  
33 determine whether to establish an Iowa sheep and wool  
34 promotion board and to impose an assessment not to exceed two  
35 cents on every pound of wool produced and sold by a producer

1 and ten cents per head on all sheep sold for slaughter by a  
2 producer, the secretary shall call a referendum to be  
3 conducted within sixty days following receipt of the petition.  
4 The petitioners shall guarantee payment of the cost of a  
5 referendum held under this chapter.

6 Sec. 3. NEW SECTION. 182.3 NOTICE OF REFERENDUM.

7 The secretary shall give notice of the referendum on the  
8 question of whether to establish an Iowa sheep and wool  
9 promotion board and to impose the assessment by publishing the  
10 notice for a period of not less than five days in at least one  
11 newspaper of general circulation in the state. The notice  
12 shall state the voting places, period of time for voting, and  
13 other information deemed necessary by the secretary.

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

16 Sec. 4. NEW SECTION. 182.4 ESTABLISHMENT OF SHEEP AND  
17 WOOL PROMOTION BOARD AND TAX.

18 1. Each producer who signs a statement certifying that the  
19 producer is a bona fide producer is entitled to one vote. At  
20 the close of the referendum, the secretary shall count and  
21 tabulate the ballots cast. If a majority of voters favor  
22 establishing an Iowa sheep and wool promotion board and  
23 imposing an assessment, an Iowa sheep and wool promotion board  
24 shall be established. The assessment shall be imposed  
25 commencing not more than sixty days following the referendum  
26 as determined by the Iowa sheep and wool promotion board, and  
27 shall continue until terminated by a referendum as provided in  
28 subsection 2. If a majority of the voters do not favor  
29 establishing an Iowa sheep and wool promotion board and  
30 imposing the assessment, the assessment shall not be imposed  
31 and the board shall not be established until another  
32 referendum is held under this chapter and a majority of the  
33 voters favor establishing a board and imposing the assessment.  
34 If a referendum fails, another referendum shall not be held  
35 within one hundred eighty days.

1     2. Upon receipt of a petition signed by at least fifty  
2 producers in each district requesting a referendum election to  
3 determine whether to terminate the establishment of the Iowa  
4 sheep and wool promotion board and to terminate the imposition  
5 of the assessment, the secretary shall call a referendum to be  
6 conducted within sixty days following the receipt of the  
7 petition. The petitioners shall guarantee the payment of the  
8 costs of a referendum held under this subsection. If the  
9 majority of the voters of a referendum do not favor  
10 termination, an additional referendum may be held when the  
11 secretary receives a petition signed by at least fifty  
12 producers in each district. However, the additional  
13 referendum shall not be held within one hundred eighty days.

14     Sec. 5. NEW SECTION. 182.5 COMPOSITION OF BOARD.

15     The Iowa sheep and wool promotion board established under  
16 this chapter shall be composed of nine producers, one from  
17 each district. The dean of the college of agriculture of Iowa  
18 state university of science and technology or the dean's  
19 representative shall serve as an ex officio nonvoting member  
20 of the board. The board shall annually elect a chairperson  
21 from its membership.

22     Sec. 6. NEW SECTION. 182.6 INITIAL BOARD.

23     For the initial board, the secretary shall notify the sheep  
24 producers association, an Iowa nonprofit corporation,  
25 immediately after approval of the question at the referendum  
26 election and the association shall nominate two candidates for  
27 each position as director. Candidates shall be resident  
28 producers of the district from which they are nominated. The  
29 secretary shall receive the nominations, and shall call an  
30 election for members of the initial board within thirty days  
31 following passage of the question at the referendum election.

32     Sec. 7. NEW SECTION. 182.7 ELECTION FOR DIRECTORS.

33     Notice of the initial election for directors of the board  
34 shall be given by the secretary by publication in a newspaper  
35 of general circulation in the state at least five days prior

1 to the date of the election and in any other reasonable manner  
2 as determined by the secretary. The notice shall set forth  
3 the period of time for voting, voting places, and other  
4 information as the secretary deems necessary.

5 Notice of subsequent elections for the membership position  
6 for a district shall be given by the board by publication in a  
7 newspaper of general circulation in the district and in any  
8 other reasonable manner as determined by the board and shall  
9 set forth the period of time for voting, voting places, and  
10 other information as the board deems necessary.

11 Sec. 8. NEW SECTION. 182.8 TERMS.

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

18 Sec. 9. NEW SECTION. 182.9 SUBSEQUENT MEMBERSHIP.

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

32 Sec. 10. NEW SECTION. 182.10 VACANCIES.

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

1     Sec. 11. NEW SECTION. 182.11 PURPOSES OF BOARD.

2     The purposes of the board shall be to:

3     1. Enter into contracts or agreements with or make grants  
4 to recognized and qualified agencies, individuals, or  
5 organizations for the development and carrying out of research  
6 and education programs directed toward better and more  
7 efficient production, marketing, and utilization of sheep and  
8 wool and their products.

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

12    3. Assist in development of new or larger markets, both  
13 domestic and foreign, for sheep and wool and their products.

14    Sec. 12. NEW SECTION. 182.12 POWERS AND DUTIES.

15    The board may:

16    1. Administer and enforce this chapter and perform acts  
17 reasonably necessary to effectuate the purposes of this  
18 section.

19    2. Employ and discharge assistants and professional  
20 counsel as necessary, prescribe their duties and powers, and  
21 fix their compensation.

22    3. Establish offices, incur expenses, and enter into any  
23 contracts or agreements necessary to carry out the purposes of  
24 this chapter.

25    4. Adopt, rescind, and amend all proper and necessary  
26 rules for the exercise of its powers and duties.

27    5. Enter into arrangements for collection of the  
28 assessment on sheep and wool.

29    6. Formulate and execute assessment procedures and methods  
30 of collection.

31    7. Receive and investigate complaints and violations of  
32 this chapter and take necessary action.

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

35    9. Establish accounts in adequately protected financial

1 institutions to receive, hold, and disburse board moneys.

2 Sec. 13. NEW SECTION. 182.13 COMPENSATION.

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

10 Sec. 14. NEW SECTION. 182.14 ASSESSMENT.

11 If approved by a majority of voters at a referendum, an  
12 assessment to be set by the board at not more than two cents  
13 for each pound of wool produced and sold by a producer and not  
14 more than ten cents per head on sheep sold for slaughter by a  
15 producer shall be imposed on the producer at the time of  
16 delivery to the first purchaser who will deduct the assessment  
17 from the price paid to the producer at the time of sale. If  
18 the producer sells, ships, or otherwise disposes of wool or  
19 sheep for slaughter to a first purchaser or other person  
20 outside the state of Iowa, the producer shall deduct the  
21 assessment from the amount received from the sale and shall  
22 forward the amount deducted to the board within thirty days  
23 following each calendar quarter. If the producer and the  
24 first purchaser are the same person, then that person shall  
25 pay the assessment to the board within thirty days following  
26 each calendar quarter.

27 Sec. 15. NEW SECTION. 182.15 INVOICE REQUIRED.

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

- 31 1. The name and address of the producer and the seller, if  
32 different from the producer.
- 33 2. The name and address of the first purchaser.
- 34 3. The pounds of wool or head of sheep for slaughter sold.
- 35 4. The date of the purchase.

1 5. The rate of withholding and the total amount of the  
2 assessment withheld.

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

4 Sec. 16. NEW SECTION. 182.16 FUNDS.

5 Subject to section 182.14, the assessment imposed by this  
6 chapter shall be remitted by the purchaser to the Iowa sheep  
7 and wool promotion board not later than thirty days following  
8 each calendar quarter during which the assessment was  
9 collected. Amounts collected from the assessment shall be  
10 deposited in an account established pursuant to section  
11 182.12, subsection 9. Expenses and disbursements incurred and  
12 made pursuant to this chapter shall be made by voucher, draft,  
13 or check bearing the signature of a person designated by  
14 majority vote of the board.

15 Sec. 17. NEW SECTION. 182.17 REFUNDS.

16 A producer who has paid the assessment may, by application  
17 in writing to the board, secure a refund of all or part of the  
18 amount paid. The refund shall be payable only when the  
19 application has been made to the board within sixty days after  
20 the deduction has been made by the producer or within sixty  
21 days after the remittance has been made by the first  
22 purchaser. Each application for refund by a producer shall  
23 have attached proof that the assessment was paid. The proof  
24 of the assessment paid may be in the form of a duplicate or  
25 certified copy of the purchase invoice by the purchaser.

26 Sec. 18. NEW SECTION. 182.18 USE OF MONEYS.

27 Moneys collected under this chapter are subject to audit by  
28 the auditor of state and shall be used by the Iowa sheep and  
29 wool promotion board first for the payment of collection and  
30 refund expenses, second for payment of the costs and expenses  
31 arising in connection with conducting referendums, and third  
32 for the purposes identified in section 182.11. Moneys of the  
33 board remaining after a referendum is held at which a majority  
34 of the voters favor termination of the board and the  
35 assessment shall continue to be expended in accordance with

1 this chapter until exhausted.

2 Sec. 19. NEW SECTION. 182.19 BOND REQUIRED.

3 All persons holding positions of trust under this chapter  
4 shall give bond in the amount required by the board. The  
5 premiums for bond costs shall be paid from the moneys of the  
6 board.

7 Sec. 20. NEW SECTION. 182.20 EXAMINATION OF RECORDS.

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

18 Sec. 21. NEW SECTION. 182.21 PENALTY.

19 A person who willfully violates a provision of this  
20 chapter, willfully gives a false report, statement, or record  
21 required by the board, or willfully fails to furnish or render  
22 a report, statement or record required by the secretary is  
23 guilty of a simple misdemeanor.

24 Sec. 22. NEW SECTION. 182.22 PURCHASERS OUTSIDE IOWA.

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

27 Sec. 23. NEW SECTION. 182.23 REPORT.

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

32

#### EXPLANATION

33 This bill provides for an Iowa sheep and wool promotion  
34 board. Section 1 sets forth definitions. Sections 2, 3, and  
35 4 provide for the procedures of petition and referendum on the

1 question of whether the board should be established and the  
2 assessment levied. The board, if approved, is made up of nine  
3 members, plus the dean of the college of agriculture at Iowa  
4 state university as an ex officio member, as provided in  
5 section 5 of this bill. Sections 6 and 7 of the bill outline  
6 the requirements for elections to the board. The terms of  
7 board positions, defined in section 8, are for three years.  
8 Vacancies are filled as stated in sections 9 and 10. Sections  
9 11 and 12 outline the purposes, powers, and duties of the  
10 board, which include acts to improve the production and  
11 marketing of sheep and wool. Board members are entitled to  
12 payment of expenses.

13 Section 14 limits an approved assessment to two cents per  
14 pound of wool and ten cents per head of sheep, and sets forth  
15 the time of collection. The funds go into an account estab-  
16 lished by the board. Refunds may be made under section 17.  
17 Certain statements are required to be submitted to the board.  
18 A violation of a provision of the chapter is, according to  
19 section 21, a simple misdemeanor. The board in cooperation  
20 with the auditor of state is required to prepare an annual  
21 report.

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HOUSE FILE 677

AN ACT

CREATING AN IOWA SHEEP AND WOOL PROMOTION BOARD, AND PROVIDING A PENALTY.

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

Section 1. NEW SECTION. 182.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Affected producer" means a person defined as a producer who is subject to the assessment pursuant to section 182.14.
2. "Board" means the Iowa sheep and wool promotion board established pursuant to section 182.5.
3. "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.
4. "Eligible voter" means a person who has been a producer for the three hundred sixty-five days preceding the date of a referendum conducted pursuant to section 182.4.
5. "First purchaser" means a person who resells sheep or wool purchased from a producer or offers for sale a product produced from the sheep or wool for any purpose.
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 for slaughter.

10. "Wool" means the natural fiber produced by sheep.

Sec. 2. NEW SECTION. 182.2 PETITION FOR ELECTION.

Upon receipt of a petition signed by at least fifty producers in each district requesting a referendum election to determine whether to establish an Iowa sheep and wool promotion board and to impose an assessment not to exceed two cents on every pound of wool produced and sold by a producer and ten cents per head on all sheep sold for slaughter by a producer, the secretary shall call a referendum to be conducted within sixty days following receipt of the petition.

Sec. 3. NEW SECTION. 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.

Sec. 4. NEW SECTION. 182.4 ESTABLISHMENT OF SHEEP AND WOOL PROMOTION BOARD AND TAX.

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.

Sec. 5. NEW SECTION. 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 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.

Sec. 6. NEW SECTION. 182.6 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 candi-

date'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.

Sec. 7. NEW SECTION. 182.7 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.

Sec. 8. NEW SECTION. 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.

Sec. 9. NEW SECTION. 182.9 SUBSEQUENT MEMBERSHIP.

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.

Sec. 10. NEW SECTION. 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.

Sec. 11. NEW SECTION. 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.

Sec. 12. NEW SECTION. 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.

Sec. 13. NEW SECTION. 182.13 COMPENSATION.

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.

Sec. 14. NEW SECTION. 182.14 ASSESSMENT.

If approved by a majority of voters at a referendum, an assessment to be set by the board at not more than two cents for each pound of wool produced and sold by a producer and not more than ten cents per head on sheep sold for slaughter by a producer shall be imposed on the producer at the time of delivery to the first purchaser who will deduct the assessment from the price paid to the producer at the time of sale. If the producer sells, ships, or otherwise disposes of wool or sheep for slaughter to a first purchaser or other person outside the state of Iowa, 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. If the producer and the first purchaser are the same person, then that person shall

pay the assessment to the board within thirty days following each calendar quarter.

Sec. 15. NEW SECTION. 182.15 INVOICE REQUIRED.

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

1. The name and address of the producer and the seller, if different from the producer.
2. The name and address of the first purchaser.
3. The pounds of wool or head of sheep for slaughter sold.
4. The date of the purchase.
5. The rate of withholding and the total amount of the assessment withheld.

Invoices shall be legibly written and shall not be altered.

Sec. 16. NEW SECTION. 182.16 FUNDS.

Subject to section 182.14, the assessment imposed by this chapter shall be remitted by the purchaser to the Iowa sheep and wool promotion board not later than thirty days following each calendar quarter during which the assessment was collected. Amounts collected from the assessment shall be deposited in an account established pursuant to section 182.12, subsection 9. 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.

Sec. 17. NEW SECTION. 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.

Sec. 18. NEW SECTION. 182.18 USE OF MONEYS.

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, and third for the purposes identified in section 182.11. 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 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.

Sec. 19. NEW SECTION. 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.

Sec. 20. NEW SECTION. 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.

Sec. 21. NEW SECTION. 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.

Sec. 22. NEW SECTION. 182.22 PURCHASERS OUTSIDE IOWA.

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

Sec. 23. NEW SECTION. 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.

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DONALD D. AVENSON  
Speaker of the House

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ROBERT T. ANDERSON  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 677, Seventy-first General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved May 28, 1985

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TERRY E. BRANSTAD  
Governor

H.F. 677