

MAR 18 1997

Place On Calendar

S-3/26/97 No Pass
S-3/31/97 refer to W. & mem
S-4/3/97 Do Pass

HOUSE FILE 687
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 213)
(COMPANION TO LSB 2676SV
BY COMMITTEE ON AGRICULTURE)

Passed House, ^(P. 734) Date 3-24-97 Passed Senate, Date 4-8-97 ^(P. 1029)
Vote: Ayes 97 Nays 0 Vote: Ayes 45 Nays 0
Approved April 14, 1997

A BILL FOR

1 An Act relating to statutory references to the Iowa beef industry
2 council and increasing an excise tax on beef cattle upon a
3 referendum.

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

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HF 687

1 Section 1. Section 181.3, subsection 1, unnumbered
2 paragraph 1, Code 1997, is amended to read as follows:

3 An executive committee of the Iowa beef cattle producers
4 association is created. ~~The executive committee may also be~~
5 ~~known as the Iowa beef industry council.~~ The executive
6 committee consists of eight members as follows:

7 Sec. 2. Section 181.6, subsection 1, Code 1997, is amended
8 to read as follows:

9 1. "Executive committee" means the executive committee
10 created in section 181.3, ~~which is also known as the Iowa beef~~
11 ~~industry council.~~

12 Sec. 3. Section 181.13, unnumbered paragraph 1, Code 1997,
13 is amended to read as follows:

14 All excise taxes imposed and levied under this chapter
15 shall be paid to and collected by the executive committee and
16 deposited with the treasurer of state in a separate cattle and
17 veal calf fund which shall be created by the treasurer of
18 state. The department of revenue and finance shall transfer
19 moneys from the fund to the executive committee for deposit
20 into an account established by the executive committee in a
21 qualified financial institution. The department shall
22 transfer the moneys as provided in a resolution adopted by the
23 executive committee. However, the department is only required
24 to transfer moneys once during each day and only during hours
25 when the offices of the state are open. From the moneys
26 collected, deposited, and transferred to the executive
27 committee, in accordance with the provisions of this chapter,
28 the executive committee shall first pay the costs of
29 referendums held pursuant to this chapter, the costs of
30 collection of such excise tax, the expenses of its agents and
31 expenses of officers provided for in section 181.5. Except as
32 otherwise provided in section 181.19, ~~at least thirty percent~~
33 ~~of the remaining moneys shall be remitted to the national~~
34 ~~livestock and meat board and the beef industry council,~~ and at
35 least ten percent of the remaining funds shall be remitted to

1 the Iowa beef cattle producers association in proportions
2 determined by the executive committee, for use in a manner not
3 inconsistent with section 181.7. The remaining moneys, with
4 approval of a majority of the executive committee, shall be
5 expended as the executive committee finds necessary to carry
6 out the provisions and purposes of this chapter. However, in
7 no event shall the total expenses exceed the total amount
8 transferred from the fund for use by the executive committee.

9 Sec. 4. Section 181.14, Code 1997, is amended to read as
10 follows:

11 181.14 NOTICE.

12 Notice of any such referendum shall be given by the
13 secretary by publishing the same for a period of not less than
14 five days in a newspaper of general circulation in the state
15 and in such other newspapers as the secretary may prescribe.
16 The notice of referendum shall set forth the period for voting
17 and the voting places for the referendum and the amount of the
18 deduction ~~pursuant to section 181.11~~. No referendum shall be
19 commenced prior to five days after the last day of such period
20 of publication.

21 Sec. 5. Section 181.17, Code 1997, is amended to read as
22 follows:

23 181.17 PRODUCERS NOT MEMBERS.

24 Every A producer, ~~even though~~ who is not a member thereof,
25 of the Iowa beef cattle producers association shall be
26 entitled to vote in elections of persons to be ~~directors of~~
27 ~~the Iowa beef cattle producers association~~ members of the
28 executive committee in the same manner as if the producer were
29 a member. ~~Directors thus~~ The members ~~elected, to the~~
30 executive committee shall elect from their number the officers
31 referred to in section 181.1.

32 Sec. 6. Section 181.19, Code 1997, is amended by adding
33 the following new unnumbered paragraph after unnumbered
34 paragraph 1:

35 NEW UNNUMBERED PARAGRAPH. The secretary shall, upon the

1 petition of five hundred producers, conduct a special
2 referendum to determine whether an excise tax already
3 collected shall be increased to a rate, established by the
4 executive committee, not to exceed one dollar per head on all
5 beef cattle and veal calves sold for any purpose.

6 Sec. 7. Section 181.19, unnumbered paragraphs 2, 4, and 5,
7 Code 1997, are amended to read as follows:

8 ~~The initial referendum and subsequent referendums for~~
9 ~~extension of such excise tax~~ referenda shall be conducted
10 under the provisions of sections 181.9 and 181.10, as nearly
11 as ~~may be~~ is possible. Upon determination by the secretary
12 that assent to the assessment has been given, there shall be
13 assessed and levied an excise tax on each sale in the amount
14 provided in this section. The tax shall be due at or before
15 the time the animals are sold and shall be paid at a time
16 prescribed by the council, but not later than the last day of
17 the month following the end of the prior reporting period in
18 which the animals are sold.

19 On the date of the effective ~~period for the collection~~ date
20 of the an excise tax which is larger than provided for in this
21 section, any lesser excise tax being assessed ~~and levied under~~
22 ~~section 181.11~~ shall terminate during ~~any period for which any~~
23 ~~excise tax provided for in this section shall be in effect.~~

24 However, if a special referendum to increase the excise tax
25 should fail, it shall not affect the existence or length of

26 the assessment in effect on the date that the special

27 referendum is conducted. The provisions of sections 181.12,
28 181.13, 181.14, 181.15 and 181.16 shall also be applicable to
29 the tax provided for in this section, as nearly as may be is
30 possible. ~~Notwithstanding the provisions in section 181.13 to~~
31 ~~the contrary, at least fifteen percent of the funds collected~~
32 ~~from an excise tax assessed and levied under the provisions of~~
33 ~~this section shall be remitted to the national livestock and~~
34 ~~meat board and the beef industry council thereof, after first~~
35 ~~paying the costs and expenses referred to in section 181.13.~~

1 An assessment adopted ~~following-the-initial~~ by referendum
2 shall be effective for four years from its effective date and
3 shall be either extended or terminated as provided in this
4 section.

5 Sec. 8. Section 181.11, Code 1997, is repealed.

6 Sec. 9. DIRECTIONS TO CODE EDITOR. The Iowa Code editor
7 shall transfer section 181.6 and recodify it as section 181.1
8 and renumber subsequent sections in chapter 181 and correct
9 internal references as necessary.

10 EXPLANATION

11 This bill amends Code chapter 181, which provides for the
12 establishment and operation of the Iowa beef cattle producers
13 association. Code chapter 181 refers to the Iowa beef
14 industry council. This bill removes references to the council
15 and provides for the election of the executive committee of
16 the Iowa beef cattle producers association by nonmembers in
17 the same manner required for voting by members.

18 Code chapter 181 authorizes the secretary of agriculture,
19 upon petition, to conduct a referendum to determine whether a
20 checkoff shall be collected on the sale of beef cattle and
21 veal calves. The top rate under the assessment is 50 cents
22 for beef cattle and 35 cents for veal calves. The bill
23 provides for a special referendum for the assessment of up to
24 \$1 on beef cattle and veal calves. The bill provides for the
25 distribution of the moneys raised by the checkoff. Current
26 law provides that a percentage of the moneys is remitted to
27 the national livestock and meat board and to the beef industry
28 council. The bill eliminates that distribution. The bill
29 eliminates a provision establishing an assessment which is no
30 longer applicable.

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Boggs, Ch
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Kreiman

HSB 213

Agriculture

Succeeded By

SF (HF) 687

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON EDDIE)

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to statutory references to the Iowa beef industry
2 council and increasing an excise tax on beef cattle upon a
3 referendum.

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

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1 Section 1. Section 181.3, subsection 1, unnumbered
2 paragraph 1, Code 1997, is amended to read as follows:

3 An executive committee of the Iowa beef cattle producers
4 association is created. ~~The executive committee may also be~~
5 ~~known as the Iowa beef industry council.~~ The executive
6 committee consists of eight members as follows:

7 Sec. 2. Section 181.6, subsection 1, Code 1997, is amended
8 to read as follows:

9 1. "Executive committee" means the executive committee
10 created in section 181.3, ~~which is also known as the Iowa beef~~
11 ~~industry council.~~

12 Sec. 3. Section 181.11, unnumbered paragraph 1, Code 1997,
13 is amended to read as follows:

14 Upon determination by the secretary ~~of agriculture~~ that
15 assent to assessment has been given, there shall be assessed
16 and levied an excise tax of ten cents per head on all beef
17 cattle and five cents per head on all veal calves sold for
18 slaughter. The tax shall be due at or before the time animals
19 are first sold for purposes of slaughter, and shall be paid at
20 a time the ~~council~~ executive committee may, by rule or
21 regulation, prescribe, but not later than the last day of the
22 month following the end of the prior reporting period in which
23 animals are sold.

24 Sec. 4. Section 181.13, unnumbered paragraph 1, Code 1997,
25 is amended to read as follows:

26 All excise taxes imposed and levied under this chapter
27 shall be paid to and collected by the executive committee and
28 deposited with the treasurer of state in a separate cattle and
29 veal calf fund which shall be created by the treasurer of
30 state. The department of revenue and finance shall transfer
31 moneys from the fund to the executive committee for deposit
32 into an account established by the executive committee in a
33 qualified financial institution. The department shall
34 transfer the moneys as provided in a resolution adopted by the
35 executive committee. However, the department is only required

1 to transfer moneys once during each day and only during hours
2 when the offices of the state are open. From the moneys
3 collected, deposited, and transferred to the executive
4 committee, in accordance with the provisions of this chapter,
5 the executive committee shall first pay the costs of
6 referendums held pursuant to this chapter, the costs of
7 collection of such excise tax, the expenses of its agents and
8 expenses of officers provided for in section 181.5. Except as
9 otherwise provided in section 181.19, ~~at least thirty percent~~
10 ~~of the remaining moneys shall be remitted to the national~~
11 ~~livestock and meat board and the beef industry council,~~ and at
12 least ten percent of the remaining funds shall be remitted to
13 the Iowa beef cattle producers association in proportions
14 determined by the executive committee, for use in a manner not
15 inconsistent with section 181.7. The remaining moneys, with
16 approval of a majority of the executive committee, shall be
17 expended as the executive committee finds necessary to carry
18 out the provisions and purposes of this chapter. However, in
19 no event shall the total expenses exceed the total amount
20 transferred from the fund for use by the executive committee.

21 Sec. 5. Section 181.17, Code 1997, is amended to read as
22 follows:

23 181.17 PRODUCERS NOT MEMBERS.

24 Every A producer, even though who is not a member thereof,
25 of the Iowa beef cattle producers association shall be
26 entitled to vote in elections of persons to be ~~directors of~~
27 ~~the Iowa beef cattle producers association~~ members of the
28 executive committee in the same manner as if the producer were
29 a member. ~~Directors thus~~ The members elected, to the
30 executive committee shall elect from their number the officers
31 referred to in section 181.1.

32 Sec. 6. Section 181.19, unnumbered paragraphs 1 and 4,
33 Code 1997, are amended to read as follows:

34 The secretary shall, upon the petition of five hundred
35 producers, conduct ~~an initial~~ a referendum to determine

1 whether an excise tax shall be collected, at a rate
2 established by the executive committee, of not to exceed ~~fifty~~
3 cents one dollar per head on all beef cattle and veal calves
4 sold for any purpose including, but not limited to, slaughter
5 ~~and-not-to-exceed-thirty-five-cents-per-head-on-all-veal~~
6 ~~calves-sold-for-slaughter-and-on-all-sales-of-beef-cattle-for~~
7 ~~any-other-purpose.~~

8 On the date of the effective period for the collection of
9 the excise tax provided for in this section, any excise tax
10 being assessed and levied under this section or section 181.11
11 shall terminate during any period for which any excise tax
12 provided for in this section shall-be is in effect. The
13 provisions of sections 181.12, 181.13, 181.14, 181.15, and
14 181.16 shall also be applicable to the tax provided for in
15 this section, as nearly as may be. ~~Notwithstanding-the~~
16 ~~provisions-in-section-181-13-to-the-contrary,-at-least-fifteen~~
17 ~~percent-of-the-funds-collected-from-an-excise-tax-assessed-and~~
18 ~~levied-under-the-provisions-of-this-section-shall-be-remitted~~
19 ~~to-the-national-livestock-and-meat-board-and-the-beef-industry~~
20 ~~council-thereof,-after-first-paying-the-costs-and-expenses~~
21 ~~referred-to-in-section-181-13-~~

22 Sec. 7. DIRECTIONS TO CODE EDITOR. The Iowa Code editor
23 shall transfer section 181.6 and recodify it as section 181.1
24 and renumber subsequent sections in chapter 181 and correct
25 internal references as necessary.

26 EXPLANATION

27 This bill amends Code chapter 181, which provides for the
28 establishment and operation of the Iowa beef cattle producers
29 association. Code chapter 181 refers to the Iowa beef
30 industry council. This bill removes references to the council
31 and provides for the election of the executive committee of
32 the Iowa beef cattle producers association by nonmembers in
33 the same manner required for voting by members.

34 Code chapter 181 authorizes the secretary of agriculture,
35 upon petition, to conduct a referendum to determine whether a

1 checkoff shall be collected on the sale of beef cattle at a
2 rate established by the executive committee. The bill
3 increases the top rate from 50 cents to \$1 that may be
4 assessed against beef cattle and from 35 cents to \$1 that may
5 be assessed against veal calves. The bill provides for the
6 distribution of the moneys raised by the checkoff. Current
7 law provides that a percentage of the moneys is remitted to
8 the national livestock and meat board and to the beef industry
9 council. The bill eliminates that distribution.

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HOUSE FILE 687

AN ACT

RELATING TO STATUTORY REFERENCES TO THE IOWA BEEF INDUSTRY COUNCIL AND INCREASING AN EXCISE TAX ON BEEF CATTLE UPON A REFERENDUM.

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

Section 1. Section 181.3, subsection 1, unnumbered paragraph 1, Code 1997, is amended to read as follows:

An executive committee of the Iowa beef cattle producers association is created. ~~The executive committee may also be known as the Iowa beef industry council.~~ The executive committee consists of eight members as follows:

Sec. 2. Section 181.6, subsection 1, Code 1997, is amended to read as follows:

1. "Executive committee" means the executive committee created in section 181.3, ~~which is also known as the Iowa beef industry council.~~

Sec. 3. Section 181.13, unnumbered paragraph 1, Code 1997, is amended to read as follows:

All excise taxes imposed and levied under this chapter shall be paid to and collected by the executive committee and deposited with the treasurer of state in a separate cattle and veal calf fund which shall be created by the treasurer of state. The department of revenue and finance shall transfer moneys from the fund to the executive committee for deposit into an account established by the executive committee in a qualified financial institution. The department shall transfer the moneys as provided in a resolution adopted by the executive committee. However, the department is only required to transfer moneys once during each day and only during hours when the offices of the state are open. From the moneys collected, deposited, and transferred to the executive committee, in accordance with the provisions of this chapter, the executive committee shall first pay the costs of

referendums held pursuant to this chapter, the costs of collection of such excise tax, the expenses of its agents and expenses of officers provided for in section 181.5. Except as otherwise provided in section 181.19, ~~at least thirty percent of the remaining moneys shall be remitted to the national livestock and meat board and the beef industry council,~~ and at least ten percent of the remaining funds shall be remitted to the Iowa beef cattle producers association in proportions determined by the executive committee, for use in a manner not inconsistent with section 181.7. The remaining moneys, with approval of a majority of the executive committee, shall be expended as the executive committee finds necessary to carry out the provisions and purposes of this chapter. However, in no event shall the total expenses exceed the total amount transferred from the fund for use by the executive committee.

Sec. 4. Section 181.14, Code 1997, is amended to read as follows:

181.14 NOTICE.

Notice of any such referendum shall be given by the secretary by publishing the same for a period of not less than five days in a newspaper of general circulation in the state and in such other newspapers as the secretary may prescribe. The notice of referendum shall set forth the period for voting and the voting places for the referendum and the amount of the deduction ~~pursuant to section 181.11.~~ No referendum shall be commenced prior to five days after the last day of such period of publication.

Sec. 5. Section 181.17, Code 1997, is amended to read as follows:

181.17 PRODUCERS NOT MEMBERS.

Every A producer, ~~even though who is not a member thereof,~~ of the Iowa beef cattle producers association shall be entitled to vote in elections of persons to be ~~directors of the Iowa beef cattle producers association~~ members of the executive committee in the same manner as if the producer were a member. ~~Directors thus~~ The members elected, to the executive committee shall elect from their number the officers referred to in section 181.1.

Sec. 6. Section 181.19, Code 1997, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. The secretary shall, upon the petition of five hundred producers, conduct a special referendum to determine whether an excise tax already collected shall be increased to a rate, established by the executive committee, not to exceed one dollar per head on all beef cattle and veal calves sold for any purpose.

Sec. 7. Section 181.19, unnumbered paragraphs 2, 4, and 5, Code 1997, are amended to read as follows:

~~The initial referendum and subsequent referendums for extension of such excise tax referenda~~ shall be conducted under the provisions of sections 181.9 and 181.10, as nearly as ~~may be~~ is possible. Upon determination by the secretary that assent to the assessment has been given, there shall be assessed and levied an excise tax on each sale in the amount provided in this section. The tax shall be due at or before the time the animals are sold and shall be paid at a time prescribed by the council, but not later than the last day of the month following the end of the prior reporting period in which the animals are sold.

On the date of the effective ~~period for the collection date~~ of the an excise tax which is larger than provided for in this section, any lesser excise tax being assessed ~~and levied under section 181.11~~ shall terminate during any period for which any excise tax provided for in this section shall be in effect. However, if a special referendum to increase the excise tax should fail, it shall not affect the existence or length of the assessment in effect on the date that the special referendum is conducted. The provisions of sections 181.12, 181.13, 181.14, 181.15 and 181.16 shall also be applicable to the tax provided for in this section, as nearly as ~~may be~~ is possible. ~~Notwithstanding the provisions in section 181.13 to the contrary, at least fifteen percent of the funds collected from an excise tax assessed and levied under the provisions of this section shall be remitted to the national livestock and~~

~~meat board and the beef industry council thereof, after first paying the costs and expenses referred to in section 181.13.~~

An assessment adopted following the initial by referendum shall be effective for four years from its effective date and shall be either extended or terminated as provided in this section.

Sec. 8. Section 181.11, Code 1997, is repealed.

Sec. 9. DIRECTIONS TO CODE EDITOR. The Iowa Code editor shall transfer section 181.6 and recodify it as section 181.1 and renumber subsequent sections in chapter 181 and correct internal references as necessary.

RON J. CORBETT
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 687, Seventy-seventh General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved April 14, 1997

TERRY E. BRANSTAD
Governor