

FEB 16 1999  
Agriculture

*3/2/99 Do Pass*  
*3/10/99 Agriculture*  
*3/25/99 Do Pass*

HOUSE FILE 293  
BY BOGGESS

Passed House, <sup>(p. 608)</sup> Date 3/10/99 Passed Senate, Date 4/12/99 <sup>(p. 1041)</sup>  
Vote: Ayes 97 Nays 1 Vote: Ayes 47 Nays 0  
Approved April 22, 1999

A BILL FOR

1 An Act providing for the administration of assessments collected  
2 | by the Iowa sheep and wool promotion board.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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*HF 293*

1 Section 1. Section 182.1, subsection 1, Code 1999, is  
2 amended by striking the subsection.

3 Sec. 2. Section 182.1, Code 1999, is amended by adding the  
4 following new subsections:

5 NEW SUBSECTION. 1A. "Assessment" means an excise tax on  
6 the sale of sheep or wool as provided in this chapter.

7 NEW SUBSECTION. 2A. "Concentration point" means a  
8 location or facility where sheep are assembled for purposes of  
9 sale or resale for feeding, breeding, or slaughtering, and  
10 where contact may occur between groups of sheep from various  
11 sources. "Concentration point" includes a public stockyard,  
12 auction market, street market, state or federal market,  
13 untested consignment sales location, buying station, or a  
14 livestock dealer's yard, truck, or facility.

15 Sec. 3. Section 182.1, subsection 5, Code 1999, is amended  
16 to read as follows:

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

21 Sec. 4. Section 182.1, subsection 8, Code 1999, is amended  
22 to read as follows:

23 8. "Sheep" means an animal of the ovine species,  
24 regardless of age, produced or marketed in this state for  
25 slaughter.

26 Sec. 5. Section 182.2, Code 1999, is amended to read as  
27 follows:

28 182.2 PETITION FOR REFERENDUM ELECTION.

29 Upon receipt of a petition signed by at least fifty  
30 producers in each district requesting a referendum by election  
31 to determine whether to establish ~~an-iowa-sheep-and-wool~~  
32 ~~promotion~~ the board and to impose an assessment ~~not-to-exceed~~  
33 ~~two-cents-on-every-pound-of-wool-produced-and-sold-by-a~~  
34 ~~producer-and-ten-cents-per-head-on-all-sheep-sold-for~~  
35 ~~slaughter-by-a-producer,~~ the secretary shall call a referendum

1 to be conducted within sixty days following receipt of the  
2 petition.

3 | Sec. 6. Section 182.14, Code 1999, is amended to read as  
4 follows:

5 182.14 ASSESSMENT.

6 1. If approved by a majority of voters at a referendum, an  
7 assessment to be set by the board at not more than two cents  
8 for each pound of wool produced and sold by a producer and not  
9 more than ten cents per head on sheep sold ~~for-slaughter~~ by a  
10 producer.

11 2. The assessment shall be imposed on the producer as  
12 follows:

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

15 (1) If the sale occurs at a concentration point, the  
16 assessment shall be imposed at the time of delivery to the  
17 first-purchaser-who-will. The first purchaser shall deduct  
18 the assessment from the price paid to the producer at the time  
19 of sale.

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

25 b. If the producer sells, ships, or otherwise disposes of  
26 wool or sheep for-slaughter to a-first-purchaser-or-other any  
27 person outside the this state of-Iowa, the producer shall  
28 deduct the assessment from the amount received from the sale  
29 and shall forward the amount deducted to the board within  
30 thirty-days-following-each-calendar-quarter. if-the-producer  
31 and-the-first-purchaser-are-the-same-person, then-that-person  
32 shall-pay-the-assessment-to-the-board-within-thirty-days  
33 following-each-calendar-quarter.

34 3. The assessment imposed by this section shall be  
35 remitted to the board not later than thirty days following

1 each calendar quarter during which the assessment amount was  
2 deducted.

3 Sec. 7. Section 182.15, subsection 3, Code 1999, is  
4 amended to read as follows:

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

6 Sec. 8. Section 182.16, Code 1999, is amended to read as  
7 follows:

8 182.16 REMITTANCE-TO-BOARD----DEPOSIT AND DISBURSEMENT OF  
9 FUNDS.

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

21 EXPLANATION

22 This bill amends Code chapter 182, which provides for the  
23 assessment (commonly referred to as a checkoff) on sheep and  
24 wool. Generally, the assessment is imposed during a sale to  
25 the first purchaser. The chapter currently provides that the  
26 assessment is imposed on sheep sold for slaughter. This bill  
27 provides that the assessment is imposed on all sales of sheep  
28 by the producer. The bill also provides that the producer and  
29 not the first purchaser is required to pay the assessment  
30 during private sales.

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## AN ACT

PROVIDING FOR THE ADMINISTRATION OF ASSESSMENTS COLLECTED BY  
THE IOWA SHEEP AND WOOL PROMOTION BOARD.

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

Section 1. Section 182.1, subsection 1, Code 1999, is amended by striking the subsection.

Sec. 2. Section 182.1, Code 1999, is amended by adding the following new subsections:

NEW SUBSECTION. 1A. "Assessment" means an excise tax on the sale of sheep or wool as provided in this chapter.

NEW SUBSECTION. 2A. "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.

Sec. 3. Section 182.1, subsection 5, Code 1999, is amended to read as follows:

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

Sec. 4. Section 182.1, subsection 8, Code 1999, is amended to read as follows:

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

Sec. 5. Section 182.2, Code 1999, is amended to read as follows:

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 ~~an-iowa-sheep-and-wool-promotion~~ the 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. 6. Section 182.14, Code 1999, is amended to read as follows:

182.14 ASSESSMENT.

1. 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.

2. The assessment 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 to the first-purchaser-who-will. 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 for slaughter to a first-purchaser or other any person outside the this 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.

3. 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.

Sec. 7. Section 182.15, subsection 3, Code 1999, is amended to read as follows:

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

Sec. 8. Section 182.16, Code 1999, is amended to read as follows:

182.16 REMITTANCE TO BOARD --- DEPOSIT AND DISBURSEMENT OF 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~~ The board shall deposit amounts collected from the assessment shall be deposited imposed pursuant to section 182.14 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.

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RON J. CORBETT  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 293, Seventy-eighth General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

Approved April 22, 1999

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THOMAS J. VILSACK  
Governor