

SENATE FILE 2144  
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 3044)

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

**A BILL FOR**

1 An Act relating to assessments imposed on cattle for purposes of  
2 promotion, education, and research, and providing an effective  
3 date.

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

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**SENATE FILE 2144**

**S-5058**

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Amend Senate File 2144 as follows:  
1. Page 4, line 28, by inserting before the word  
"better" the following: "the".  
2. Page 4, by striking lines 29 and 30, and  
inserting the following: "marketing promotion, and  
utilization of cattle and veal calves and the  
marketing of products made ~~therefrom~~ from cattle.  
The council shall".  
3. Page 5, by striking lines 3 through 5, and  
inserting the following:  
"3. Assisting in the development of new or larger  
domestic markets both domestic and foreign for cattle  
and veal calves and products made ~~therefrom~~ from  
cattle.  
4. Assisting in the development of new or larger  
foreign markets for cattle and products made from  
cattle."

By JOHN P. KIBBIE

S-5058 FILED MARCH 9, 2004

SF 2144 AGRICULTURE

1 Section 1. Section 181.1, Code 2003, is amended by  
2 striking the section and inserting in lieu thereof the  
3 following:

4 181.1 DEFINITIONS.

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

7 1. "Association" means the Iowa beef cattle producers  
8 association.

9 2. "Cattle" means any live domesticated bovine animal  
10 regardless of age.

11 3. "Council" means the Iowa beef industry council.

12 4. "Federal act" means the federal Beef Promotion and  
13 Research Act of 1985, 7 U.S.C., § 2901 et seq.

14 5. "Federal assessment" means an excise tax on the sale of  
15 bovine animals imposed pursuant to the federal act.

16 6. "Producer" means any person who owns or acquires  
17 ownership of cattle. However, a person shall not be  
18 considered a producer if any of the following apply:

19 a. The person's only share in the proceeds of a sale of  
20 cattle or beef is a sales commission, handling fee, or other  
21 service fee.

22 b. The person acquired ownership of cattle to facilitate  
23 the transfer of ownership of such cattle from the seller to a  
24 third party; resold such cattle no later than ten days from  
25 the date on which the person acquired ownership; and certified  
26 as required by rules adopted by the council.

27 7. "Qualified financial institution" means a bank, credit  
28 union, or savings and loan as defined in section 12C.1.

29 8. "Records" means books, papers, documents, accounts,  
30 agreements, memoranda, electronic records of accounts, or  
31 correspondence relating to a matter regulated under this  
32 chapter.

33 9. "Secretary" means the secretary of agriculture.

34 10. "State assessment" means an excise tax on the sale of  
35 cattle imposed pursuant to this chapter.

1 Sec. 2. Section 181.2, Code 2003, is amended to read as  
2 follows:

3 181.2 DUTIES AND OBJECTS OF ASSOCIATION.

4 The Iowa beef cattle producers association shall do all of  
5 the following:

6 1. Aid in the promotion of the beef cattle industry of the  
7 state.

8 2. Provide for practical and scientific instruction in the  
9 breeding and raising of beef cattle.

10 ~~3. Provide-for-the-inspection-of-herds, premises,~~  
11 ~~appliances, methods, and feedstuffs-used-in-the-raising-of~~  
12 ~~beef-cattle.~~

13 ~~4.~~ Make demonstrations in the feeding of beef cattle and  
14 publish suggestions beneficial to such business.

15 ~~5.~~ 4. Aid and promote beef cattle feeding contests, shows,  
16 and sales.

17 ~~6.--Publish-a-breeders'-directory.~~

18 ~~7.~~ 5. Prepare an annual report of the proceedings and  
19 expenditures of the council as provided in section 181.18B.

20 Sec. 3. Section 181.3, subsection 1, unnumbered paragraph  
21 1, Code 2003, is amended to read as follows:

22 An ~~executive-committee~~ Iowa beef industry council of the  
23 Iowa beef cattle producers association is created. The  
24 ~~executive-committee~~ council consists of eight members, as  
25 follows including all of the following:

26 Sec. 4. Section 181.3, subsections 2 through 4, Code 2003,  
27 are amended to read as follows:

28 2. The Iowa livestock auction market association shall  
29 nominate two livestock market representatives. The secretary  
30 of agriculture shall appoint one of the nominees or another  
31 livestock market representative of the secretary's choice as  
32 ~~the-livestock-market-representative-on-the-executive~~  
33 ~~committee~~, who shall serve at the pleasure of the secretary.

34 3. The ~~executive-committee~~ council shall elect a  
35 chairperson, secretary, and other officers it deems necessary.

1 4. Except for ex officio members, vacancies in the  
2 executive-committee council resulting from death, inability or  
3 refusal to serve, or failure to meet the qualifications of  
4 this chapter, shall be filled by the executive-committee  
5 council. If the executive-committee council fails to fill a  
6 vacancy, the secretary of-agriculture shall fill it. Vacancy  
7 appointments shall be only for the remainder of the unexpired  
8 term.

9 Sec. 5. Section 181.4, Code 2003, is amended to read as  
10 follows:

11 181.4 EMPLOYEES OF COMMITTEE COUNCIL.

12 The executive-committee council may employ two or more  
13 competent persons who shall devote their entire time, under  
14 the direction of the committee council, in carrying out the  
15 provisions of this chapter. The salary of persons so employed  
16 shall be set by the executive-committee council, and the  
17 persons shall hold office at the pleasure of the executive  
18 committee council.

19 Sec. 6. Section 181.6A, Code 2003, is amended to read as  
20 follows:

21 181.6A ELECTION OF EXECUTIVE-COMMITTEE COUNCIL.

22 1. The Iowa beef cattle producers association shall hold  
23 an annual meeting of producers. An election shall be held at  
24 the annual meeting, as necessary, for election of producers to  
25 the executive-committee council.

26 2. Prior to the annual meeting, the Iowa-beef-cattle  
27 producers association shall appoint a nominating committee.  
28 At least sixty days prior to the annual meeting of the Iowa  
29 beef-cattle-producers association, the nominating committee  
30 shall nominate two producers as candidates for each position  
31 on the executive-committee council for which an election is to  
32 be held. At least forty-five days prior to the annual meeting  
33 of the Iowa-beef-cattle-producers association, additional  
34 candidates may be nominated by a written petition of fifty  
35 producers. Procedures governing the place of filing and the

1 contents of the petition shall be promulgated and publicized  
2 by the ~~executive-committee~~ council.

3 3. Producers attending the annual meeting of the Iowa-beef  
4 ~~cattle-producers~~ association may vote for one nominee for each  
5 position on the ~~executive-committee~~ council for which an  
6 election is held. Producers not attending the annual meeting  
7 of the Iowa-beef-cattle-producers association may vote by  
8 absentee ballot, if the ballot is requested and mailed, with  
9 proper postage, to the ~~executive-committee~~ council prior to  
10 the annual meeting of the Iowa-beef-cattle-producers  
11 association. For each position for which an election is held,  
12 the candidate receiving the highest number of votes shall be  
13 elected.

14 4. Notice of election for ~~executive-committee~~ council  
15 membership shall be given by the ~~executive-committee~~ council  
16 by publication in a newspaper of general circulation in the  
17 state and in any other reasonable manner as determined by the  
18 ~~executive-committee~~ council, and shall set forth the date,  
19 time, and place of the annual meeting of the Iowa-beef-cattle  
20 ~~producers~~ association. The ~~executive-committee~~ council shall  
21 administer the elections, with the assistance of the secretary  
22 of-agriculture.

23 Sec. 7. Section 181.7, Code 2003, is amended to read as  
24 follows:

25 181.7 RESEARCH AND EDUCATIONAL PROGRAMS.

26 The ~~executive-committee~~ council shall ~~engage-in~~ initiate,  
27 administer, or participate in research and education programs  
28 directed toward better and more efficient production,  
29 marketing, and utilization of cattle ~~and-veal-calves~~ and  
30 products made ~~therefrom;~~ from cattle. The council shall  
31 provide for the methods and means that it determines are  
32 necessary to further the purposes of this section including,  
33 but not limited to, ~~public~~ any of the following:

34 1. Providing public relations and other promotion  
35 techniques for the maintenance of present markets; ~~make.~~

1     2. Making donations to nonprofit organizations working  
2 toward furthering the purposes of this section, assist.

3     3. Assisting in the development of new or larger markets  
4 both domestic and foreign for cattle and veal calves and  
5 products made therefrom from cattle.

6     Sec. 8. Section 181.7A, Code 2003, is amended to read as  
7 follows:

8     181.7A ~~COLLECTION~~ COMMENCEMENT OF FEDERAL ASSESSMENT --  
9 SUSPENSION AND RECOMMENCEMENT OF THE STATE ASSESSMENT.

10    1. Prior to the commencement of the collection of the  
11 federal assessment pursuant to the Beef Promotion and Research  
12 Act of 1985, the executive committee council may seek  
13 certification as a qualified state beef council within the  
14 meaning of that the federal Act. If the executive committee  
15 does not receive certification as a qualified state beef  
16 council it shall, if necessary to prevent collection of an  
17 excise tax on beef cattle in addition to the national  
18 assessment, suspend the collection of the excise tax provided  
19 in this chapter. If the executive committee does suspend  
20 collection of the excise tax provided in this chapter, the  
21 period of that suspension terminates upon expiration of the

22    2. The council shall suspend the state assessment upon  
23 collection of the federal assessment. The state assessment  
24 shall recommence upon the earlier of the following:

25    a. The noncollection of the federal assessment collected  
26 pursuant to the Beef Promotion and Research Act of 1985. The  
27 recommenced state assessment shall be imposed for a four-year  
28 period. Its effective date shall be the first date for which  
29 the federal assessment is not collected.

30    b. The passage of a special referendum pursuant to section  
31 181.19 regardless of whether a federal assessment is being  
32 collected.

33    Sec. 9. Section 181.8, Code 2003, is amended to read as  
34 follows:

35    181.8 ~~EXAMINING BOOKS AND PAPERS~~ ENTERING PREMISES --

1 EXAMINING RECORDS.

2 The ~~executive-committee-shall-have-power-to~~ council may  
3 authorize its agents to enter at a reasonable time upon the  
4 premises of any purchaser charged by this chapter with  
5 remitting the state assessment to the ~~committee-the-excise-tax~~  
6 council, and to ~~cause-to-be-examined-by-such-agent-or-agents,~~  
7 ~~all-books,~~ examine records, ~~documents,~~ and other instruments  
8 ~~bearing-upon~~ relating to the amount collection of such-excise  
9 ~~tax,-provided,-however,-that~~ the state assessment. However,  
10 the ~~executive-committee~~ council must first have reasonable  
11 grounds to believe that ~~all-such-excise-taxes-have~~ the state  
12 assessment has not been remitted or fully accounted for, ~~as~~  
13 ~~herein-provided.~~

14 The ~~executive-committee-is-authorized-to~~ council may enter  
15 into arrangements with persons purchasing cattle ~~and-veal~~  
16 ~~calves-for-slaughter~~ outside of Iowa ~~on-the-basis-provided-in~~  
17 ~~section-181-9,~~ this state for remitting the ~~excise-tax~~ state  
18 assessment by such buyers purchasers.

19 Sec. 10. NEW SECTION. 181.11 RATE OF ASSESSMENT.

20 A state assessment imposed as provided in this chapter  
21 shall be levied and collected from the purchaser on each sale  
22 of cattle at a rate provided in this chapter. The state  
23 assessment shall be imposed on any person selling cattle and  
24 shall be deducted by the purchaser from the price paid to the  
25 seller. The purchaser, at the time of the sale, shall make  
26 and deliver to the seller, a separate invoice for each sale  
27 showing the names and addresses of the seller and the  
28 purchaser, the number of cattle sold, and the date of sale.  
29 The purchaser shall forward the state assessment to the  
30 council at a time prescribed by the council, but not later  
31 than the last day of the month following the end of the prior  
32 reporting period in which the cattle are sold.

33 Sec. 11. Section 181.12, Code 2003, is amended to read as  
34 follows:

35 181.12 REMISSION OF TAX STATE ASSESSMENT ON APPLICATION.

1 A person from whom ~~the-excise-tax~~ a state assessment is  
2 collected may, by written application filed with the ~~executive~~  
3 ~~committee~~ council within sixty days after its collection, have  
4 the amount remitted to the person by the ~~executive-committee~~  
5 council. The information that the ~~excise-tax~~ state assessment  
6 is refundable and the address of the ~~executive-committee~~  
7 council to which application for a refund may be made shall  
8 appear on the invoice of sale form supplied by the purchaser  
9 to the producer near the area on the form which shows the  
10 amount of the ~~excise-tax~~ state assessment paid. The ~~executive~~  
11 ~~committee~~ council shall furnish uniform application for refund  
12 forms and envelopes properly addressed to the ~~executive~~  
13 ~~committee~~ council to each purchaser charged by this chapter  
14 with remitting the ~~excise-tax~~ state assessment in sufficient  
15 number to make the refund forms and envelopes readily  
16 available to all producers. A purchaser charged by this  
17 chapter with remitting the ~~excise-tax~~ state assessment shall  
18 display the application for refund forms and envelopes in a  
19 prominent position in its place of business and make them  
20 readily available to all producers.

21 Sec. 12. Section 181.13, Code Supplement 2003, is amended  
22 to read as follows:

23 181.13 ADMINISTRATION OF MONEYS ORIGINATING FROM STATE  
24 ASSESSMENT -- APPROPRIATION.

25 1. All ~~excise-taxes-imposed-and-levied~~ state assessments  
26 imposed under this chapter shall be paid to and collected by  
27 the ~~executive-committee~~ council and deposited with the  
28 treasurer of state in a separate ~~cattle and-veal-calf~~  
29 promotion fund which shall be created by the treasurer of  
30 state. The department of administrative services shall  
31 transfer moneys from the fund to the ~~executive-committee~~  
32 council for deposit into an account established by the  
33 ~~executive-committee~~ council in a qualified financial  
34 institution. The department shall transfer the moneys as  
35 provided in a resolution adopted by the ~~executive-committee~~

1 council. However, the department is only required to transfer  
2 moneys once during each day and only during hours when the  
3 offices of the state are open. From the moneys collected,  
4 deposited, and transferred to the executive-committee council,  
5 in accordance with the provisions of this chapter, the  
6 executive-committee council shall first pay the costs of  
7 referendums held pursuant to this chapter, the costs of  
8 collection of such excise-tax state assessments, and the  
9 expenses of its agents ~~and-expenses-of-officers-provided-for~~  
10 ~~in-section-181-5~~. Except as otherwise provided in section  
11 181.19, at least ten percent of the remaining funds moneys  
12 shall be remitted to the Iowa-beef-cattle-producers  
13 association in proportions determined by the executive  
14 committee council, for use in a manner not inconsistent with  
15 section 181.7. The remaining moneys, with approval of a  
16 majority of the executive-committee council, shall be expended  
17 as the executive-committee council 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 council.

22 2. All moneys deposited in the cattle and-veal-calf  
23 promotion fund and transferred to the executive-committee  
24 council pursuant to this section are appropriated and shall be  
25 used for the administration of this chapter and for the  
26 payment of claims based upon obligations incurred in the  
27 performance of activities and functions set forth in this  
28 chapter.

29 3. If the state assessment is suspended as provided in  
30 section 181.7A or a continuance referendum fails to pass as  
31 provided in section 181.19A, moneys remaining in the cattle  
32 promotion fund and transferred to the council shall continue  
33 to be transferred and expended in accordance with the  
34 provisions of this chapter until exhausted.

35 Sec. 13. Section 181.15, Code 2003, is amended to read as

1 follows:

2 181.15 ~~IMPOSITION-FOR-ADDITIONAL-PERIOD~~ REFERENDUM --  
3 PROCEDURES.

4 Upon receiving a petition to conduct a referendum as  
5 provided in section 181.19 or 181.19A, the secretary shall  
6 conduct the referendum as follows:

7 1. The secretary shall provide for the publication of a  
8 notice of the referendum for a period of not less than five  
9 days in a newspaper of general circulation in the state and in  
10 such other newspapers as the secretary may prescribe. The  
11 notice of referendum shall set forth the period for voting and  
12 the voting places for the referendum and the amount of the  
13 state assessment. A referendum shall not be commenced prior  
14 to fourteen days after the last day of such period of  
15 publication.

16 2. Each producer upon signing a statement certifying that  
17 the person is a bona fide producer, ~~as defined in this~~  
18 chapter, shall be entitled to one vote. At the close of the  
19 referendum period, the secretary shall count and tabulate the  
20 ballots filed during the referendum period. The ballots cast  
21 in the referendum shall constitute complete and conclusive  
22 evidence for use in any determination made by the secretary  
23 under the provisions of this chapter.

24 3. The secretary shall tabulate the ballots to determine  
25 whether the referendum has passed. If from such tabulation  
26 the secretary ~~finds~~ determines that a majority of the total  
27 number of producers voting ~~favor~~ approves the assessment  
28 imposition of a state assessment, the ~~excise tax provided for~~  
29 ~~in section 181-9~~ state assessment shall be ~~levied and~~ imposed  
30 ~~for an additional four years from the end of the previous~~  
31 ~~taxing period~~ as provided in section 181.11 at a rate provided  
32 for in section 181.19.

33 4. ~~The ballots thus cast shall constitute complete and~~  
34 ~~conclusive evidence for use in any finding made by the~~  
35 ~~secretary under the provisions of this chapter.~~ The secretary

1 may prescribe such additional procedures as may be necessary  
2 to conduct a referendum.

3 ~~In the event of the failure of any referendum provided for~~  
4 ~~herein to pass, a subsequent referendum may be called by the~~  
5 ~~secretary upon petition therefor by at least one hundred~~  
6 ~~producers within one hundred eighty days after the secretary's~~  
7 ~~determination that the prior referendum has failed. In the~~  
8 ~~event of failure to make such petition within said period, or,~~  
9 ~~the second consecutive failure of a referendum to pass, no~~  
10 ~~further referendum shall be conducted and the levy and~~  
11 ~~assessment herein created shall terminate and be of no further~~  
12 ~~force or effect.~~

13 Sec. 14. Section 181.18B, Code 2003, is amended to read as  
14 follows:

15 181.18B REPORT.

16 ~~The executive committee~~ Each year, the council shall each  
17 year prepare and submit a report summarizing the activities of  
18 the ~~executive committee~~ council under this chapter to the  
19 auditor of state and the secretary of agriculture. The report  
20 shall show all income, expenses, and other relevant  
21 information concerning fees collected and expended under this  
22 chapter.

23 Sec. 15. Section 181.19, Code 2003, is amended by striking  
24 the section and inserting in lieu thereof the following:

25 181.19 INITIAL AND SPECIAL REFERENDUMS.

26 1. The secretary shall, upon the petition of five hundred  
27 producers, conduct an initial referendum to determine whether  
28 a state assessment is to be imposed, at a rate established by  
29 the council, of not to exceed fifty cents per head on all  
30 cattle sold for any purpose.

31 2. The secretary shall, upon the petition of five hundred  
32 producers, conduct a special referendum to do any of the  
33 following:

34 a. Determine whether a state assessment already imposed  
35 shall be increased to a rate, established by the council, not

1 to exceed one dollar per head on all cattle sold for any  
2 purpose.

3 b. Determine whether a state assessment suspended pursuant  
4 to section 181.7A is to be in addition to a federal  
5 assessment. The state assessment shall be imposed at a rate  
6 of fifty cents per head on all cattle sold for whatever  
7 purpose.

8 3. If a referendum passes, the secretary shall establish  
9 an effective date to commence the state assessment. However,  
10 the state assessment must be commenced within ninety days from  
11 the date that the secretary determines that the referendum has  
12 passed.

13 4. If a special referendum to increase the rate of the  
14 state assessment does not pass, the result of the special  
15 referendum shall not affect the existence or length of the  
16 state assessment in effect on the date that the special  
17 referendum was conducted.

18 Sec. 16. NEW SECTION. 181.19A CONTINUANCE REFERENDUM.

19 1. The secretary shall, upon the petition of producers,  
20 conduct a continuance referendum to determine whether a state  
21 assessment should be renewed. The secretary must receive the  
22 petition not less than one hundred fifty and not more than two  
23 hundred forty days before the four-year anniversary of a state  
24 assessment's effective date. The petition must be signed  
25 within that period by a number of producers equal to or  
26 greater than two percent of the number of producers in this  
27 state reported in the most recent United States census of  
28 agriculture, requesting a referendum to determine whether to  
29 continue the state assessment. The referendum shall be  
30 conducted not earlier than thirty days before the four-year  
31 anniversary date of the state assessment.

32 2. If the secretary determines that a continuance  
33 referendum has passed, the state assessment shall continue in  
34 effect for four additional years from the anniversary of its  
35 effective date.

1 3. If the secretary determines that the referendum has not  
2 passed, the secretary and the council shall terminate the  
3 assessment in an orderly manner as soon as practicable after  
4 the determination. Another referendum shall not be held for  
5 at least one hundred eighty days from the date that the  
6 assessment is terminated.

7 4. If no valid petition for a continuance referendum is  
8 received by the secretary within the time period provided in  
9 this section, the state assessment shall continue in effect  
10 for four additional years from the anniversary of its  
11 effective date.

12 Sec. 17. RATE OF ASSESSMENT. If a state assessment which  
13 has been suspended as provided in section 181.7A, as amended  
14 by this Act, is recommenced as provided in that section, as  
15 amended by this Act, the rate of the state assessment shall be  
16 fifty cents per head on all cattle sold for any purpose,  
17 unless another rate is established by referendum conducted  
18 pursuant to section 181.19, as amended by this Act.

19 Sec. 18. Sections 181.9, 181.10, 181.14, and 181.16, Code  
20 2003, are repealed.

21 Sec. 19. EFFECTIVE DATE. This Act, being deemed of  
22 immediate importance, takes effect upon enactment.

23 EXPLANATION

24 This bill amends Code chapter 181, which provides for an  
25 excise tax ("checkoff") on the sale of cattle to support  
26 marketing, education, and research of beef products as  
27 administered by the executive committee of the Iowa beef  
28 cattle producers association. The state checkoff is in effect  
29 for four years before producers may file a petition for a  
30 reverse referendum to determine whether the state checkoff  
31 should be continued for another four-year period. The amount  
32 of the state checkoff is up to 50 cents per head for cattle  
33 other than veal calves, which are assessed up to 35 cents per  
34 head.

35 The Iowa checkoff, which allows for refunds, was suspended

1 October 1, 1986, the same day that the federal checkoff  
2 commenced under the federal Beef Promotion and Research Act  
3 (see 7 U.S.C. § 2901 et seq.), authorizing the United States  
4 secretary of agriculture to promulgate a beef promotion and  
5 research order requiring beef producers and beef importers to  
6 pay the national checkoff. The federal beef promotion and  
7 research order does not provide for refunds and its  
8 constitutionality has been challenged in federal court based  
9 on those grounds.

10 Substantively, the bill amends Code section 181.1, which  
11 provides for definitions, including a definition for  
12 "producer", which is based on the federal Act.

13 Code section 181.7A, which provides for the suspension of  
14 the state checkoff once its federal counterpart has been  
15 imposed. It also provides, consistent with current law, for  
16 the recommencement of the state checkoff once the federal  
17 assessment is no longer viable. The bill provides that  
18 recommencement is triggered when the federal checkoff is no  
19 longer being collected or producers pass a special referendum  
20 to collect the state checkoff in addition to the federal one.  
21 The bill also provides that if the state checkoff is  
22 recommenced because the national checkoff is no longer being  
23 collected, the state checkoff is to be imposed for a new four-  
24 year period, its effective date being the first date that the  
25 federal assessment is not collected. The bill provides that  
26 if a special referendum passes, its effective date is a date  
27 established by the secretary of agriculture, but within 90  
28 days from the date that the secretary has determined the  
29 referendum has passed. The bill eliminates the lower  
30 assessment rate imposed on veal cattle. All cattle are  
31 subject to the same 50 cent rate. The bill amends procedures  
32 for petitioning for a second referendum if a continuance  
33 referendum fails.

34 The bill also makes a number of changes in order to enhance  
35 its readability. The bill changes the name of the executive

1 committee to the "Iowa beef industry council". It changes the  
2 name of the excise tax from "excise tax" to "state  
3 assessment". The bill eliminates sections which refer to  
4 referendums which are no longer applicable and rearranges  
5 provisions in order to enhance their readability. The bill  
6 also eliminates Code section 181.5 which refers to  
7 compensation paid to officers of the association.

8 The bill takes effect upon enactment.

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SSB# 3044

Hauser  
Putney  
Kibbie

SENATE FILE Agriculture  
BY (PROPOSED COMMITTEE ON  
AGRICULTURE BILL BY  
CHAIRPERSON JOHNSON)

SUC  
SF/ HF 2/44

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

A BILL FOR

1 An Act relating to assessments imposed on cattle for purposes of  
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4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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4 181.1 DEFINITIONS.

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11 3. "Council" means the Iowa beef industry council.

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17 ownership of cattle. However, a person shall not be  
18 considered a producer if any of the following apply:

19 a. The person's only share in the proceeds of a sale of  
20 cattle or beef is a sales commission, handling fee, or other  
21 service fee.

22 b. The person acquired ownership of cattle to facilitate  
23 the transfer of ownership of such cattle from the seller to a  
24 third party; resold such cattle no later than ten days from  
25 the date on which the person acquired ownership; and  
26 certified, as required by rules adopted by the council.

27 7. "Qualified financial institution" means a bank, credit  
28 union, or savings and loan as defined in section 12C.1.

29 8. "Records" means books, papers, documents, accounts,  
30 agreements, memoranda, electronic records of accounts, or  
31 correspondence relating to a matter regulated under this  
32 chapter.

33 9. "Secretary" means the secretary of agriculture.

34 10. "State assessment" means an excise tax on the sale of  
35 cattle imposed pursuant to this chapter.

1 Sec. 2. Section 181.2, Code 2003, is amended to read as  
2 follows:

3 181.2 DUTIES AND OBJECTS OF ASSOCIATION.

4 The Iowa beef cattle producers association shall do all of  
5 the following:

6 1. Aid in the promotion of the beef cattle industry of the  
7 state.

8 2. Provide for practical and scientific instruction in the  
9 breeding and raising of beef cattle.

10 ~~3. Provide-for-the-inspection-of-herds, premises,~~  
11 ~~appliances, methods, and feedstuffs-used-in-the-raising-of~~  
12 ~~beef-cattle.~~

13 ~~4.~~ Make demonstrations in the feeding of beef cattle and  
14 publish suggestions beneficial to such business.

15 ~~5.~~ 4. Aid and promote beef cattle feeding contests, shows,  
16 and sales.

17 ~~6.--Publish-a-breeders'-directory.~~

18 ~~7.~~ 5. Prepare an annual report of the proceedings and  
19 expenditures of the council as provided in section 181.18B.

20 Sec. 3. Section 181.3, subsection 1, unnumbered paragraph  
21 1, Code 2003, is amended to read as follows:

22 An ~~executive-committee~~ Iowa beef industry council of the  
23 Iowa beef cattle producers association is created. The  
24 ~~executive-committee~~ council consists of eight members, as  
25 follows including all of the following:

26 Sec. 4. Section 181.3, subsections 2 through 4, Code 2003,  
27 are amended to read as follows:

28 2. The Iowa livestock auction market association shall  
29 nominate two livestock market representatives. The secretary  
30 of agriculture shall appoint one of the nominees or another  
31 livestock market representative of the secretary's choice as  
32 ~~the-livestock-market-representative-on-the-executive~~  
33 ~~committee~~, who shall serve at the pleasure of the secretary.

34 3. The ~~executive-committee~~ council shall elect a  
35 chairperson, secretary, and other officers it deems necessary.

1 4. Except for ex officio members, vacancies in the  
2 ~~executive-committee~~ council resulting from death, inability or  
3 refusal to serve, or failure to meet the qualifications of  
4 this chapter, shall be filled by the ~~executive-committee~~  
5 council. If the ~~executive-committee~~ council fails to fill a  
6 vacancy, the secretary ~~of-agriculture~~ shall fill it. Vacancy  
7 appointments shall be only for the remainder of the unexpired  
8 term.

9 Sec. 5. Section 181.4, Code 2003, is amended to read as  
10 follows:

11 181.4 EMPLOYEES OF ~~COMMITTEE~~ COUNCIL.

12 The ~~executive-committee~~ council may employ two or more  
13 competent persons who shall devote their entire time, under  
14 the direction of the ~~committee~~ council, in carrying out the  
15 provisions of this chapter. The salary of persons so employed  
16 shall be set by the ~~executive-committee~~ council, and the  
17 persons shall hold office at the pleasure of the ~~executive~~  
18 committee council.

19 Sec. 6. Section 181.6A, Code 2003, is amended to read as  
20 follows:

21 181.6A ELECTION OF ~~EXECUTIVE-COMMITTEE~~ COUNCIL.

22 1. The Iowa beef cattle producers association shall hold  
23 an annual meeting of producers. An election shall be held at  
24 the annual meeting, as necessary, for election of producers to  
25 the ~~executive-committee~~ council.

26 2. Prior to the annual meeting, the ~~Iowa-beef-cattle~~  
27 producers association shall appoint a nominating committee.  
28 At least sixty days prior to the annual meeting of the ~~Iowa~~  
29 beef-cattle-producers association, the nominating committee  
30 shall nominate two producers as candidates for each position  
31 on the ~~executive-committee~~ council for which an election is to  
32 be held. At least forty-five days prior to the annual meeting  
33 of the ~~Iowa-beef-cattle-producers~~ association, additional  
34 candidates may be nominated by a written petition of fifty  
35 producers. Procedures governing the place of filing and the

1 contents of the petition shall be promulgated and publicized  
2 by the ~~executive-committee~~ council.

3 3. Producers attending the annual meeting of the ~~Iowa-beef~~  
4 ~~cattle-producers~~ association may vote for one nominee for each  
5 position on the ~~executive-committee~~ council for which an  
6 election is held. Producers not attending the annual meeting  
7 of the ~~Iowa-beef-cattle-producers~~ association may vote by  
8 absentee ballot, if the ballot is requested and mailed, with  
9 proper postage, to the ~~executive-committee~~ council prior to  
10 the annual meeting of the ~~Iowa-beef-cattle-producers~~  
11 association. For each position for which an election is held,  
12 the candidate receiving the highest number of votes shall be  
13 elected.

14 4. Notice of election for ~~executive-committee~~ council  
15 membership shall be given by the ~~executive-committee~~ council  
16 by publication in a newspaper of general circulation in the  
17 state and in any other reasonable manner as determined by the  
18 ~~executive-committee~~ council, and shall set forth the date,  
19 time, and place of the annual meeting of the ~~Iowa-beef-cattle~~  
20 ~~producers~~ association. The ~~executive-committee~~ council shall  
21 administer the elections, with the assistance of the secretary  
22 of ~~agriculture~~.

23 Sec. 7. Section 181.7, Code 2003, is amended to read as  
24 follows:

25 181.7 RESEARCH AND EDUCATIONAL PROGRAMS.

26 The ~~executive-committee~~ council shall ~~engage-in~~ initiate,  
27 administer, or participate in research and education programs  
28 directed toward better and more efficient production,  
29 marketing, and utilization of cattle ~~and-veal-calves~~ and  
30 products made ~~therefrom~~; from cattle. The council shall  
31 provide for the methods and means that it determines are  
32 necessary to further the purposes of this section including  
33 but not limited to; ~~public~~ any of the following:

- 34 1. Providing public relations and other promotion  
35 techniques for the maintenance of present markets; ~~make~~.

1     2. Making donations to nonprofit organizations working  
2 toward furthering the purposes of this section; assist.

3     3. Assisting in the development of new or larger markets  
4 both domestic and foreign for cattle and veal calves and  
5 products made therefrom from cattle.

6     Sec. 8. Section 181.7A, Code 2003, is amended to read as  
7 follows:

8     181.7A COLLECTION COMMENCEMENT OF FEDERAL ASSESSMENT --  
9 SUSPENSION AND RECOMMENCEMENT OF THE STATE ASSESSMENT.

10    1. Prior to the commencement of the collection of the  
11 federal assessment pursuant to the Beef Promotion and Research  
12 Act of 1985, the executive committee council may seek  
13 certification as a qualified state beef council within the  
14 meaning of that the federal Act. If the executive committee  
15 does not receive certification as a qualified state beef  
16 council it shall, if necessary to prevent collection of an  
17 excise tax on beef cattle in addition to the national  
18 assessment, suspend the collection of the excise tax provided  
19 in this chapter. If the executive committee does suspend  
20 collection of the excise tax provided in this chapter, the  
21 period of that suspension terminates upon expiration of the

22    2. The council shall suspend the state assessment upon  
23 collection of the federal assessment. The state assessment  
24 shall recommence upon the earlier of the following:

25    a. The noncollection of the federal assessment collected  
26 pursuant to the Beef Promotion and Research Act of 1985. The  
27 recommenced state assessment shall be imposed for a four-year  
28 period. Its effective date shall be the first date for which  
29 the federal assessment is not collected.

30    b. The passage of a special referendum pursuant to section  
31 181.19 regardless of whether a federal assessment is being  
32 collected.

33     Sec. 9. Section 181.8, Code 2003, is amended to read as  
34 follows:

35     181.8 EXAMINING BOOKS AND PAPERS ENTERING PREMISES --

1 EXAMINING RECORDS.

2     ~~The executive-committee-shall-have-power-to~~ council may  
3 authorize its agents to enter at a reasonable time upon the  
4 premises of any purchaser charged by this chapter with  
5 remitting the state assessment to the ~~committee-the-excise-tax~~  
6 council, and to ~~cause-to-be-examined-by-such-agent-or-agents,~~  
7 ~~all-books,~~ examine records, documents, and other instruments  
8 ~~bearing-upon~~ relating to the amount collection of ~~such-excise~~  
9 ~~tax;-provided;-however;-that~~ the state assessment. However,  
10 the ~~executive-committee~~ council must first have reasonable  
11 grounds to believe that ~~all-such-excise-taxes-have~~ the state  
12 assessment has not been remitted or fully accounted for, ~~as~~  
13 ~~herein-provided.~~

14     ~~The executive-committee-is-authorized-to~~ council may enter  
15 into arrangements with persons purchasing cattle ~~and-veal~~  
16 ~~calves-for-slaughter~~ outside of Iowa on the basis provided in  
17 section 181.9, for remitting the ~~excise-tax~~ state assessment  
18 by such ~~buyers~~ purchasers.

19     Sec. 10. Section 181.9, unnumbered paragraph 1, Code 2003,  
20 is amended to read as follows:

21     ~~No-excise-tax-shall-be-assessed-or-collected~~ A state  
22 assessment shall not be imposed under the provisions of this  
23 chapter until the secretary ~~of-agriculture-finds~~ determines  
24 that the state assessment has been ~~assented-to-by~~ passed by a  
25 referendum vote of assenting producers. The secretary, upon  
26 the request of any fifty beef producers, shall conduct an  
27 initial referendum by written ballot to determine such assent,  
28 after giving due notice of intention to conduct the referendum  
29 pursuant to section 191.19.

30     Sec. 11. NEW SECTION. 181.11 RATE OF ASSESSMENT.

31     A state assessment imposed as provided in this chapter  
32 shall be levied and collected from the purchaser on each sale  
33 of cattle at a rate provided in this chapter. The state  
34 assessment shall be imposed on any person selling cattle and  
35 shall be deducted by the purchaser from the price paid to the

1 seller. The purchaser, at the time of the sale, shall make  
2 and deliver to the seller, a separate invoice for each sale  
3 showing the names and addresses of the seller and the  
4 purchaser, the number of cattle sold, and the date of sale.  
5 The purchaser shall forward the state assessment to the  
6 council at a time prescribed by the council, but not later  
7 than the last day of the month following the end of the prior  
8 reporting period in which the cattle are sold.

9 Sec. 12. Section 181.12, Code 2003, is amended to read as  
10 follows:

11 181.12 REMISSION OF ~~TAX~~ STATE ASSESSMENT ON APPLICATION.

12 A person from whom ~~the excise tax~~ a state assessment is  
13 collected may, by written application filed with the ~~executive~~  
14 ~~committee council~~ council within sixty days after its collection, have  
15 the amount remitted to the person by the ~~executive-committee~~  
16 council. The information that the ~~excise-tax state assessment~~  
17 is refundable and the address of the ~~executive-committee~~  
18 council to which application for a refund may be made shall  
19 appear on the invoice of sale form supplied by the purchaser  
20 to the producer near the area on the form which shows the  
21 amount of the ~~excise-tax state assessment~~ paid. The ~~executive~~  
22 ~~committee council~~ shall furnish uniform application for refund  
23 forms and envelopes properly addressed to the ~~executive~~  
24 ~~committee council~~ to each purchaser charged by this chapter  
25 with remitting the ~~excise-tax state assessment~~ in sufficient  
26 number to make the refund forms and envelopes readily  
27 available to all producers. A purchaser charged by this  
28 chapter with remitting the ~~excise-tax state assessment~~ shall  
29 display the application for refund forms and envelopes in a  
30 prominent position in its place of business and make them  
31 readily available to all producers.

32 Sec. 13. Section 181.13, Code Supplement 2003, is amended  
33 to read as follows:

34 181.13 ADMINISTRATION OF MONEYS ORIGINATING FROM STATE  
35 ASSESSMENT -- APPROPRIATION.

1     1. All ~~excise-taxes-imposed-and-levied~~ state assessments  
2 imposed under this chapter shall be paid to and collected by  
3 the ~~executive-committee~~ council and deposited with the  
4 treasurer of state in a separate ~~cattle and-veal-calf~~  
5 promotion fund which shall be created by the treasurer of  
6 state. The department of administrative services shall  
7 transfer moneys from the fund to the ~~executive-committee~~  
8 council for deposit into an account established by the  
9 ~~executive-committee~~ council in a qualified financial  
10 institution. The department shall transfer the moneys as  
11 provided in a resolution adopted by the ~~executive-committee~~  
12 council. However, the department is only required to transfer  
13 moneys once during each day and only during hours when the  
14 offices of the state are open. From the moneys collected,  
15 deposited, and transferred to the ~~executive-committee~~ council,  
16 in accordance with the provisions of this chapter, the  
17 ~~executive-committee~~ council shall first pay the costs of  
18 referendums held pursuant to this chapter, the costs of  
19 collection of such ~~excise-tax~~ state assessments, the expenses  
20 of its agents and ~~expenses-of-officers-provided-for-in-section~~  
21 ~~181.5~~. Except as otherwise provided in section 181.19, at  
22 least ten percent of the remaining ~~funds~~ moneys shall be  
23 remitted to the ~~Iowa-beef-cattle-producers~~ association in  
24 proportions determined by the ~~executive-committee~~ council, for  
25 use in a manner not inconsistent with section 181.7. The  
26 remaining moneys, with approval of a majority of the ~~executive~~  
27 ~~committee~~ council, shall be expended as the ~~executive~~  
28 ~~committee~~ council finds necessary to carry out the provisions  
29 and purposes of this chapter. However, in no event shall the  
30 total expenses exceed the total amount transferred from the  
31 fund for use by the ~~executive-committee~~ council.

32     2. All moneys deposited in the ~~cattle and-veal-calf~~  
33 promotion fund and transferred to the ~~executive-committee~~  
34 council pursuant to this section are appropriated and shall be  
35 used for the administration of this chapter and for the

1 payment of claims based upon obligations incurred in the  
2 performance of activities and functions set forth in this  
3 chapter.

4 3. If the state assessment is suspended as provided in  
5 section 181.7A or a continuance referendum fails to pass as  
6 provided in section 181.19A, moneys remaining in the cattle  
7 promotion fund and transferred to the council shall continue  
8 to be transferred and expended in accordance with the  
9 provisions of this chapter until exhausted.

10 Sec. 14. Section 181.15, Code 2003, is amended to read as  
11 follows:

12 181.15 ~~IMPOSITION-FOR-ADDITIONAL-PERIOD~~ REFERENDUM --  
13 PROCEDURES.

14 Upon receiving a petition to conduct a referendum as  
15 provided in section 181.19 or 181.19A, the secretary shall  
16 conduct the referendum as follows:

17 1. The secretary shall provide for the publication of a  
18 notice of the referendum for a period of not less than five  
19 days in a newspaper of general circulation in the state and in  
20 such other newspapers as the secretary may prescribe. The  
21 notice of referendum shall set forth the period for voting and  
22 the voting places for the referendum and the amount of the  
23 state assessment. A referendum shall not be commenced prior  
24 to five days after the last day of such period of publication.

25 2. Each producer upon signing a statement certifying that  
26 the person is a bona fide producer, ~~as defined in this~~  
27 chapter, shall be entitled to one vote. At the close of the  
28 referendum period, the secretary shall count and tabulate the  
29 ballots filed during the referendum period. The ballots cast  
30 in the referendum shall constitute complete and conclusive  
31 evidence for use in any determination made by the secretary  
32 under the provisions of this chapter.

33 3. The secretary shall tabulate the ballots to determine  
34 whether the referendum has passed. If from such tabulation  
35 the secretary ~~finds~~ determines that a majority of the total

1 number of producers voting favor approves the assessment  
 2 imposition of a state, the ~~excise-tax-provided-for-in-section~~  
 3 ~~181.9~~ state assessment shall be ~~levied-and~~ imposed for-an  
 4 ~~additional-four-years-from-the-end-of-the-previous-taxing~~  
 5 period as provided in section 181.11 at a rate provided for in  
 6 section 181.19.

7 ~~4. The-ballots-thus-cast-shall-constitute-complete-and~~  
 8 ~~conclusive-evidence-for-use-in-any-finding-made-by-the~~  
 9 ~~secretary-under-the-provisions-of-this-chapter.~~ The secretary  
 10 may prescribe such additional procedures as may be necessary  
 11 to conduct a referendum.

12 ~~In-the-event-of-the-failure-of-any-referendum-provided-for~~  
 13 ~~herein-to-pass, a-subsequent-referendum-may-be-called-by-the~~  
 14 ~~secretary-upon-petition-therefor-by-at-least-one-hundred~~  
 15 ~~producers-within-one-hundred-eighty-days-after-the-secretary's~~  
 16 ~~determination-that-the-prior-referendum-has-failed.--In-the~~  
 17 ~~event-of-failure-to-make-such-petition-within-said-period, or,~~  
 18 ~~the-second-consecutive-failure-of-a-referendum-to-pass, no~~  
 19 ~~further-referendum-shall-be-conducted-and-the-levy-and~~  
 20 ~~assessment-herein-created-shall-terminate-and-be-of-no-further~~  
 21 ~~force-or-effect.~~

22 Sec. 15. Section 181.18B, Code 2003, is amended to read as  
 23 follows:

24 181.18B REPORT.

25 ~~The-executive-committee~~ Each year, the council shall each  
 26 year prepare and submit a report summarizing the activities of  
 27 the ~~executive-committee~~ council under this chapter to the  
 28 auditor of state and the secretary of agriculture. The report  
 29 shall show all income, expenses, and other relevant  
 30 information concerning fees collected and expended under this  
 31 chapter.

32 Sec. 16. Section 181.19, Code 2003, is amended by striking  
 33 the section and inserting in lieu thereof the following:

34 181.19 INITIAL AND SPECIAL REFERENDUMS.

35 1. The secretary shall, upon the petition of five hundred

1 producers, conduct an initial referendum to determine whether  
2 a state assessment is to be imposed, at a rate established by  
3 the council, of not to exceed fifty cents per head on all  
4 cattle sold for any purpose.

5 2. The secretary shall, upon the petition of five hundred  
6 producers, conduct a special referendum to do any of the  
7 following:

8 a. Determine whether a state assessment already imposed  
9 shall be increased to a rate, established by the council, not  
10 to exceed one dollar per head on all cattle sold for any  
11 purpose.

12 b. Determine whether a state assessment suspended pursuant  
13 to section 181.7A is to be in addition to a federal  
14 assessment. The state assessment shall be imposed at a rate  
15 of fifty cents per head on all cattle sold for whatever  
16 purpose.

17 3. If a referendum passes, the secretary shall establish  
18 an effective date to commence the state assessment. However,  
19 the state assessment must be commenced within ninety days from  
20 the date that the secretary determines that the referendum has  
21 passed.

22 4. If a special referendum to increase the rate of the  
23 state assessment does not pass, the result of the special  
24 referendum shall not affect the existence or length of the  
25 state assessment in effect on the date that the special  
26 referendum was conducted.

27 Sec. 17. NEW SECTION. 181.19A CONTINUANCE REFERENDUM.

28 1. The secretary shall, upon the petition of producers,  
29 conduct a continuance referendum to determine whether a state  
30 assessment should be renewed. The secretary must receive the  
31 petition not less than one hundred fifty and not more than two  
32 hundred forty days before the four-year anniversary of a state  
33 assessment's effective date. The petition must be signed  
34 within that period by a number of producers equal to or  
35 greater than two percent of the number of producers in this

1 state reported in the most recent United States census of  
2 agriculture, requesting a referendum to determine whether to  
3 continue the state assessment. The referendum shall be  
4 conducted not earlier than thirty days before the four-year  
5 anniversary date of the state assessment.

6 2. If the secretary determines that a continuance  
7 referendum has passed, the state assessment shall continue in  
8 effect for four additional years from the anniversary of its  
9 effective date.

10 3. If the secretary determines that the referendum has not  
11 passed, the secretary and the council shall terminate the  
12 assessment in an orderly manner as soon as practicable after  
13 the determination. Another referendum shall not be held for  
14 at least one hundred eighty days from the date that the  
15 assessment is terminated.

16 4. If no valid petition for a continuance referendum is  
17 received by the secretary within the time period provided in  
18 this section, the state assessment shall continue in effect  
19 for four additional years from the anniversary of its  
20 effective date.

21 Sec. 18. RATE OF ASSESSMENT. If a state assessment which  
22 has been suspended as provided in section 181.7A, as amended  
23 by this Act, is recommenced as provided in that section, as  
24 amended by this Act, the rate of the state assessment shall be  
25 fifty cents per head on all cattle sold for any purpose,  
26 unless another rate is established by referendum conducted  
27 pursuant to section 181.19, as amended by this Act.

28 Sec. 19. Sections 181.5, 181.10, 181.14, and 181.16, Code  
29 2003, are repealed.

30 Sec. 20. EFFECTIVE DATE. This Act, being deemed of  
31 immediate importance, takes effect upon enactment.

32 EXPLANATION

33 This bill amends Code chapter 181, which provides for an  
34 excise tax ("checkoff") on the sale of cattle to support  
35 marketing, education, and research of beef products as

1 administered by the executive committee of the Iowa beef  
2 cattle producers association. The state checkoff is in effect  
3 for four years before producers may file a petition for a  
4 reverse referendum to determine whether the state checkoff  
5 should be continued for another four-year period. The amount  
6 of the state checkoff is up to 50 cents per head for cattle  
7 other than veal calves, which are assessed up to 35 cents per  
8 head.

9 The Iowa checkoff, which allows for refunds, was suspended  
10 October 1, 1986, the same day that the federal checkoff  
11 commenced under the federal Beef Promotion and Research Act  
12 (see 7 U.S.C. § 2901 et seq.), authorizing the United States  
13 secretary of agriculture to promulgate a beef promotion and  
14 research order requiring beef producers and beef importers to  
15 pay the national checkoff. The federal beef promotion and  
16 research order does not provide for refunds and its  
17 constitutionality has been challenged in federal court based  
18 on those grounds.

19 Substantively, the bill amends Code section 181.1, which  
20 provides for definitions, including a definition for  
21 "producer", which is based on the federal Act.

22 Code section 181.7A, which provides for the suspension of  
23 the state checkoff once its federal counterpart has been  
24 imposed. It also provides, consistent with current law, for  
25 the recommencement of the state checkoff once the federal  
26 assessment is no longer viable. The bill provides that  
27 recommencement is triggered when the federal checkoff is no  
28 longer being collected or producers pass a special referendum  
29 to collect the state checkoff in addition to the federal one.  
30 The bill also provides that if the state checkoff is  
31 recommenced because the national checkoff is no longer being  
32 collected, the state checkoff is to be imposed for a new four-  
33 year period, its effective date being the first date that the  
34 federal assessment is not collected. The bill provides that  
35 if a special referendum passes, its effective date is a date

1 established by the secretary of agriculture, but within 90  
 2 days from the date that the secretary has determined the  
 3 referendum has passed. The bill eliminates the lower  
 4 assessment rate imposed on veal cattle. All cattle are  
 5 subject to the same 50 cent rate. The bill amends procedures  
 6 for petitioning for a second referendum if a continuance  
 7 referendum fails.

8 The bill also makes a number of changes in order to enhance  
 9 its readability. The bill changes the name of the executive  
 10 committee to the "Iowa beef industry council". It changes the  
 11 name of the excise tax from "excise tax" to "state  
 12 assessment". The bill eliminates sections which refer to  
 13 referendums which are no longer applicable and rearranges  
 14 provisions in order to enhance their readability. The bill  
 15 also eliminates Code section 181.5 which refers to  
 16 compensation paid to officers of the association.

17 The bill takes effect upon enactment.

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