

FEB 25 2005
Agriculture

HOUSE FILE 462
BY DRAKE, THOMAS, HUSEMAN,
SWAIM, RAYHONS, and LALK

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the administration of the Iowa egg council,
2 including by providing for the use, promotion, and research of
3 eggs and egg products.

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

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

HF-462

1 Section 1. Section 184.1, subsection 4, Code 2005, is
2 amended to read as follows:

3 4. "Eggs" means eggs produced from a layer-type chicken.
4 "Eggs" includes shell eggs or eggs broken for further
5 processing~~7-but-does~~. However, "eggs" does not include
6 fertile any of the following:

7 a. Fertile eggs that are incubated, hatched, or used for
8 vaccines.

9 b. Organic eggs which are produced as part of a production
10 operation which is certified by the department pursuant to
11 chapter 190C.

12 Sec. 2. Section 184.9, Code 2005, is amended by striking
13 the section and inserting in lieu thereof the following:

14 184.9 DUTIES OF THE COUNCIL -- MARKETING.

15 The council shall develop new and expand existing markets
16 for eggs and egg products, and may provide for any of the
17 following:

18 1. Increasing the utilization of eggs or egg products.

19 2. Increasing the health benefits associated with the
20 consumption of eggs or egg products.

21 3. Expending economic benefits associated with the
22 production and processing of eggs or egg products.

23 4. Increasing the safe consumption of eggs or egg
24 products.

25 Sec. 3. NEW SECTION. 184.9A DUTIES OF THE COUNCIL --
26 RESEARCH.

27 The council shall participate in research programs or
28 projects, including by conducting or financing such programs
29 or projects, relating to any of the following:

30 1. Increasing the utilization of eggs or egg products.

31 2. Improving the production or processing of eggs or egg
32 products.

33 3. Preventing, modifying, or eliminating barriers to trade
34 which obstruct the free flow of eggs or egg products in
35 commerce.

1 Sec. 4. NEW SECTION. 184.9B DUTIES OF THE COUNCIL --
2 EDUCATION.

3 The council shall participate in education programs or
4 projects, including by conducting or financing such programs
5 or projects, as follows:

6 1. The council's education programs or projects may
7 provide for any of the following:

8 a. The utilization of eggs or egg products.

9 b. The production or processing of eggs or egg products.

10 c. The health benefits associated with the consumption of
11 eggs or egg products.

12 d. The safe consumption of eggs or egg products.

13 e. The prevention, modification, or elimination of
14 barriers to trade which obstruct the free flow of eggs or egg
15 products in commerce.

16 2. The council's education programs or projects may be
17 designed to increase consumers' knowledge of the production or
18 processing of eggs, the preparation of eggs or egg products,
19 or the consumption of eggs or egg products.

20 3. As part of the council's education programs or projects
21 it may provide for the dissemination of information of public
22 interest, including but not limited to the development or
23 publication of materials in a printed or electronic format.

24 Sec. 5. Section 184.10, unnumbered paragraph 1, Code 2005,
25 is amended to read as follows:

26 The council may perform any function related that it deems
27 necessary to the-production-and-marketing-of-eggs-or-egg
28 products carry out its purposes and duties as provided in this
29 chapter, including but not limited to doing any of the
30 following:

31 Sec. 6. Section 184.10, subsection 6, Code 2005, is
32 amended to read as follows:

33 6. Become a dues-paying member of an organization carrying
34 out a purpose related to the-increased any of the following:

35 a. The production or processing of eggs or egg products.

1 b. The consumption and or utilization of eggs or egg
2 products.

3 Sec. 7. Section 184.10, subsection 7, Code 2005, is
4 amended by striking the subsection and inserting in lieu
5 thereof the following:

6 7. Administer elections for members of the council and
7 provide for the appointment of persons to fill vacancies
8 occurring on the council, as provided in section 184.8. The
9 department may assist the council in administering an
10 election, upon request to the secretary by the council.

11 Sec. 8. Section 184.14, unnumbered paragraph 2, Code 2005,
12 is amended to read as follows:

13 Moneys collected, deposited in the fund, and transferred to
14 the council as provided in this chapter are subject to audit
15 by the auditor of state. The moneys transferred to the
16 council shall be used by the council first for the payment of
17 collection expenses, second for payment of the costs and
18 expenses arising in connection with conducting referendums,
19 and third to perform the functions and carry out the duties of
20 the council as provided in ~~section-184-9~~ this chapter. Moneys
21 remaining after the council is abolished and the imposition of
22 an assessment is terminated pursuant to a referendum conducted
23 pursuant to section 184.5 shall continue to be expended in
24 accordance with this chapter until exhausted.

25 EXPLANATION

26 This bill amends Code chapter 184, which establishes the
27 Iowa egg council, and provides for an assessment ("checkoff")
28 on the sale of eggs to support activities related to egg
29 production and processing, including marketing, as well as
30 education and research.

31 Code section 184.9 provides for the duties of the council
32 which focus upon market development (promoting the increased
33 utilization of eggs and egg products, health benefits
34 associated with the consumption of eggs or egg products,
35 economic benefits associated with the production and

1 processing of eggs or egg products, and the safe use and
2 consumption of eggs or egg products). The Code section also
3 provides that the council may administer elections and provide
4 for the appointment of persons to fill vacancies occurring on
5 the council. Code section 184.10 authorizes the council to
6 provide for research and education programs directed toward
7 better and more efficient production, marketing, and
8 utilization of eggs and egg products, including by financing
9 such programs and projects.

10 The bill provides that for purposes of the Code chapter,
11 "eggs" do not include those eggs which are produced as part of
12 an organic production operation. The effect of the provision
13 is to exclude organic farms from being assessed a checkoff.

14 The council shall establish an assessment amount for each
15 30 dozen eggs produced in this state. The assessment shall be
16 imposed on a producer at the time of delivery to a purchaser
17 who shall deduct the assessment from the price paid to a
18 producer at the time of sale. The assessment shall not be
19 refundable. The assessment is due to be paid to the council
20 within 30 days following each calendar quarter, as provided by
21 the council.

22 The bill rewrites Code section 184.9 to specifically
23 provide for the council's marketing duties. It also
24 establishes two separate Code sections. One section requires
25 the council to participate in research programs or projects,
26 including by conducting or financing such programs or
27 projects. The other Code section requires the department to
28 participate in education programs or projects, including by
29 conducting or financing such programs or projects. In
30 providing for duties related to both education and research,
31 the bill lists activities that may be accomplished by the
32 council. The bill lists a number of educational activities
33 related to utilization, production or processing, health and
34 safety, and trade. The bill provides that the educational
35 component may be designed to increase consumers' awareness.

S.F. _____ H.F. 462

1 It also authorizes the council to disseminate information,
2 including but not limited to the development or publication of
3 materials in a printed or electronic format.

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35