

House File 2459 - Introduced

HOUSE FILE 2459

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2381)

(SUCCESSOR TO HSB 618)

A BILL FOR

- 1 An Act relating to the assessment of moneys on sheep and wool
- 2 production, and including effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 182.1, subsection 5, Code 2011, is
2 amended by striking the subsection.

3 Sec. 2. Section 182.1, Code 2011, is amended by adding the
4 following new subsection:

5 NEW SUBSECTION. 8A. "*Secretary*" means the secretary of
6 agriculture.

7 Sec. 3. NEW SECTION. **182.13B Assessment rate.**

8 1. If a majority of voters at a referendum conducted
9 pursuant to section 182.4 approve the establishment of an
10 Iowa sheep and wool promotion board and the imposition of an
11 assessment, the assessment shall be imposed on wool and sheep
12 at the following rates:

13 a. For wool, two cents imposed on each pound of wool sold
14 by a producer.

15 b. For sheep, ten cents imposed on each head of sheep sold
16 by a producer.

17 2. a. Notwithstanding subsection 1, upon a resolution
18 adopted by the board, the secretary shall call a special
19 referendum for voters to authorize increasing the assessment
20 rate imposed on sheep as provided in this section.

21 b. The special referendum shall be conducted in the same
22 manner as a referendum conducted upon receipt of a petition
23 as provided in this chapter, unless otherwise provided in the
24 board's resolution. Only producers are eligible to vote in an
25 election and each producer is entitled to one vote.

26 3. a. The special referendum conducted pursuant to
27 subsection 2 shall allow a voter to cast a ballot for the
28 following two questions:

29 (1) For the first question, whether to authorize an increase
30 in the assessment rate to twenty-five cents imposed on each
31 head of sheep.

32 (2) For the second question, if the first question is
33 approved by a majority of voters, whether to also authorize the
34 board to increase that assessment rate by future resolution as
35 provided in this section.

1 4. If a majority of voters approve the first question,
2 twenty-five cents shall be imposed on each head of sheep sold
3 by a producer as effectuated by the board pursuant to section
4 182.12.

5 5. If a majority of voters approve both the first and second
6 questions, all of the following apply:

7 a. Twenty-five cents shall be imposed on each head of sheep
8 sold by a producer as effectuated by the board pursuant to
9 section 182.12.

10 b. The board may adopt one or more resolutions to further
11 impose an increased assessment rate. The increased assessment
12 rate shall be imposed on each head of sheep sold by a producer
13 as effectuated by the board pursuant to section 182.12. The
14 board shall comply with all of the following:

15 (1) The board must wait three or more years from the
16 effective date of the previous action imposing an increase
17 in order to adopt a resolution. For the first increase, the
18 effective date is the date of the special referendum. For any
19 subsequent increase, the effective date is the date that the
20 board last adopted a resolution imposing an increased rate as
21 provided in this paragraph "b".

22 (2) The board shall not adopt a resolution until it provides
23 notice to producers of the proposed increase and an opportunity
24 for producers to submit written or oral comments to the board
25 regarding the proposed increase. The board may provide notice
26 by publication in the same manner as provided in section
27 182.3, publication on its internet site, mail bearing a United
28 States postal service postmark, electronic transmission, or
29 hand-delivery.

30 (3) The increase in the assessment rate imposed by a
31 resolution adopted by the board must equal five cents.
32 However, the assessment rate imposed by a resolution of the
33 board shall not equal more than fifty cents.

34 6. a. If a majority of voters do not authorize increasing
35 the assessment rate pursuant to a special referendum conducted

1 pursuant to this section, the assessment rate shall be the same
2 as provided in subsection 1.

3 *b.* Not more than one special referendum shall be conducted
4 pursuant to this section.

5 Sec. 4. Section 182.14, subsection 1, Code 2011, is amended
6 by striking the subsection.

7 Sec. 5. Section 182.14, subsection 2, unnumbered paragraph
8 1, Code 2011, is amended to read as follows:

9 ~~The~~ An assessment provided in this chapter shall be imposed
10 on the producer as follows:

11 Sec. 6. EFFECT OF ACT. The establishment of the Iowa
12 sheep and wool promotion board and the assessment on the sale
13 of sheep or wool, as established in a referendum conducted
14 pursuant to section 182.4, and in effect immediately prior
15 to the effective date of this Act, is not affected by the
16 enactment of section 182.13B, subsection 1, or the repeal of
17 section 182.14, subsection 1, as provided in this Act.

18 Sec. 7. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
19 immediate importance, takes effect upon enactment.

20 EXPLANATION

21 Current law provides for an assessment (a so-called
22 checkoff) on the sale of sheep and wool to first purchasers.
23 The assessment is ultimately expended by the Iowa sheep and
24 wool promotion board for purposes of promoting the marketing
25 of sheep and wool and to provide for related education and
26 research programs. The board operates and the checkoff is
27 imposed pursuant to a referendum approved by sheep and wool
28 producers.

29 This bill authorizes the board to conduct a special
30 referendum which poses two questions: (1) whether to increase
31 the checkoff rate for each head of sheep from 10 cents to 25
32 cents, and (2) if producers approve such increase, whether
33 to authorize the board to increase the rate in the future
34 by board resolution. The bill requires that the special
35 referendum be conducted in the same manner as the referendum

1 establishing the board and first imposing the assessment rate,
2 unless the board's resolution provides otherwise. However,
3 the resolution cannot alter two provisions; only producers are
4 eligible to vote in an election and each producer is entitled
5 to one vote. The bill places a number of conditions upon
6 the board's resolution to further increase the rate. First,
7 it must wait three or more years from the effective date of
8 the previous action imposing an increase in order to adopt
9 such a resolution. Second, it must provide notice to and an
10 opportunity for comment by producers. Third, the increased
11 rate must equal 5 cents. The board cannot increase the rate
12 to more than 50 cents per head of sheep. Finally, the board
13 cannot conduct more than one special referendum.

14 The bill provides that the result of moving and rewriting
15 a provision that imposes the current assessment rate does
16 not affect the prior establishment of the board or the prior
17 imposition of that rate as established by referendum.

18 The bill takes effect upon enactment.