

**House Study Bill 687 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
AGRICULTURE BILL BY  
CHAIRPERSON SEXTON)

**A BILL FOR**

1 An Act authorizing the Iowa sheep and wool promotion board to  
2 issue orders for the suspension and recommencement of the  
3 assessment imposed on wool, and including effective date  
4 provisions.

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

1 Section 1. NEW SECTION. 182.14A Suspension of wool  
2 assessment.

3 The board may issue an order to suspend the imposition of  
4 the assessment on wool if the board determines that the average  
5 per pound market value of wool sold by producers to first  
6 purchasers is less than the assessment rate imposed pursuant  
7 to section 182.13B. The board may order the termination  
8 of the suspension order and recommence the imposition of  
9 the assessment at any time. However, the board shall order  
10 the termination of the suspension order and recommence the  
11 imposition of the assessment if it determines that the market  
12 value of wool as calculated in this section will remain more  
13 than the assessment rate for the foreseeable future. An order  
14 issued by the board under this section may include any terms or  
15 conditions that the board determines reasonable.

16 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate  
17 importance, takes effect upon enactment.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with  
20 the explanation's substance by the members of the general assembly.

21 BACKGROUND. This bill amends Code chapter 182 which  
22 provides for an assessment (a so-called checkoff) on the sale  
23 of sheep and wool, which is a self-imposed tax on producers  
24 collected by first purchasers for remission to the Iowa sheep  
25 and wool promotion board (board) under a promotional order for  
26 purposes of promoting the marketing of sheep and wool and to  
27 provide for related education and research programs. The board  
28 operates and the assessment is imposed pursuant to a referendum  
29 approved by producers (Code section 182.12). The assessment  
30 rate for wool is 2 cents for each pound of wool sold by a  
31 producer to the first purchaser (Code section 182.13B).

32 BILL'S PROVISIONS. The bill authorizes the board to issue  
33 an order suspending the imposition of the assessment on wool  
34 if the board determines that the average per pound market  
35 value of the wool sold to first purchasers is less than the

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1 assessment rate. The board may later order the termination  
2 of the suspension order; but must order its termination, and  
3 recommence the imposition of the assessment, if it determines  
4 that the market value will remain more than the assessment rate  
5 for the foreseeable future.

6 EFFECTIVE DATE. The bill takes effect upon enactment.