

CHAPTER 1100
COMMODITY BOARDS
H.F. 2379

AN ACT relating to commodity boards, by providing for their membership, the collection of their assessments, and the appropriation of their funds.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 179.5, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 5. The right of a person to a refund under this chapter or under chapters 181, 182, 183A, 184A, 185, 185C, or 196A is not subject to execution, levy, attachment, garnishment, or other legal process, and is not transferable or assignable at law or in equity.

Sec. 2. Section 181.1, Code 1985, is amended to read as follows:

181.1 RECOGNITION OF ORGANIZATION.

The Iowa beef cattle producers association now existing in and incorporated under the laws of this state ~~shall be~~ is entitled to the benefits of this chapter by filing, each year, with the department of agriculture, verified proof of the names of its president, vice president, secretary, and treasurer, ~~and that five hundred persons are bona fide members of said association, together with such other information as required by the department of agriculture may require.~~

Sec. 3. Section 181.3, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

181.3 EXECUTIVE COMMITTEE.

1. An executive committee of the Iowa beef cattle producers association is created. The executive committee may also be known as the Iowa beef industry council. The executive committee consists of eight members as follows:

- a. Five producers elected by the Iowa beef cattle producers association.
- b. One livestock market representative appointed pursuant to subsection 2.
- c. The secretary of agriculture or a designee, who shall serve as a voting ex officio member.
- d. The dean of the college of agriculture of Iowa state university of science and technology or a designee, who shall serve as a voting ex officio member.

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

3. The executive committee shall elect a chairperson, secretary, and other officers it deems necessary.

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

Sec. 4. Section 181.4, Code 1985, is amended to read as follows:

181.4 EMPLOYEES OF COMMITTEE.

The executive committee may employ two or more competent persons who shall devote their entire time, under the direction of the committee, in carrying out the provisions of this chapter. The salary of ~~such~~ persons so employed shall be set by the executive committee ~~subject to the approval of the secretary of agriculture, and such the~~ persons shall hold office at the pleasure of the executive committee.

Sec. 5. Section 181.6, subsection 3, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

3. "Executive committee" means the committee created in section 181.3, which is also known as the Iowa beef industry council.

Sec. 6. NEW SECTION. 181.6A MEMBERS OF EXECUTIVE COMMITTEE.

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

2. Prior to the annual meeting, the Iowa beef cattle producers association shall appoint a nominating committee. At least sixty days prior to the annual meeting of the Iowa beef cattle producers association, the nominating committee shall nominate two producers as candidates for each position on the executive committee for which an election is to be held. At least forty-five days prior to the annual meeting of the Iowa beef cattle producers association, additional candidates may be nominated by a written petition of fifty producers. Procedures governing the place of filing and the contents of the petition shall be promulgated and publicized by the executive committee.

3. Producers attending the annual meeting of the Iowa beef cattle producers association may vote for one nominee for each position on the executive committee for which an election is held. Producers not attending the annual meeting of the Iowa beef cattle producers association may vote by absentee ballot, if the ballot is requested and mailed, with proper postage, to the executive committee prior to the annual meeting of the Iowa beef cattle producers association. For each position for which an election is held, the candidate receiving the highest number of votes shall be elected.

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

Sec. 7. NEW SECTION. 181.7A COLLECTION OF FEDERAL ASSESSMENT.

Prior to the commencement of the collection of the assessment pursuant to the Beef Promotion and Research Act of 1985, the executive committee may seek certification as a qualified state beef council within the meaning of that Act. If the executive committee does not receive certification as a qualified state beef council it shall, if necessary to prevent collection of an excise tax on beef cattle in addition to the national assessment, suspend the collection of the excise tax provided in this chapter. If the executive committee does suspend collection of the excise tax provided in this chapter, the period of that suspension terminates upon expiration of the assessment collected pursuant to the Beef Promotion and Research Act of 1985.

Sec. 8. Section 181.13, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. All moneys deposited in the cattle and veal calf fund are appropriated for the administration of this chapter and for the payment of claims based upon obligations incurred in the performance of activities and functions set forth in this chapter.

Sec. 9. Section 183A.1, subsections 1 and 5, Code Supplement 1985, are amended to read as follows:

1. "First purchaser" means a person who buys porcine animals from a ~~producer~~ seller in the first instance.

5. "Market development" means research, and education, and other programs directed at better and more efficient production, marketing, and utilization of pork; public relations and other promotion techniques for the maintenance of existing markets for pork, including but not limited to contributions to organizations working toward the purposes of this subsection; development of new or larger markets for pork both domestic and foreign, including but not limited to public relations and other promotion techniques; and the adoption, prevention, modification, or elimination of trade barriers which bear on the flow of pork in commercial channels.

Sec. 10. Section 183A.1, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. "Pork Promotion Act" means the federal Pork Promotion, Research, and Consumer Information Act of 1985.

Sec. 11. Section 183A.2, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

183A.2 IOWA PORK PRODUCERS COUNCIL.

The Iowa pork producers council is created. The council consists of seven members, including two producers from each of three districts of the state designated by the secretary, and one producer from the state at large. The secretary shall appoint these members. The Iowa pork producers association may recommend the names of potential members, but the secretary is not bound by the recommendations. The secretary, the dean of the college of agriculture of Iowa state university of science and technology, and the state veterinarian, or their designees, shall serve on the council as nonvoting ex officio members.

Sec. 12. Section 183A.3, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

183A.3 TERMS.

The voting members of the council shall serve terms of three years, and shall not serve for more than two complete consecutive terms.

Sec. 13. Section 183A.4, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

183A.4 VACANCIES.

A vacancy in the voting membership of the council resulting from death, inability or refusal to serve, or failure to meet the qualifications established in this chapter, shall be filled by the council for the remainder of the unexpired term. If the council fails to fill the vacancy, the secretary shall fill it.

Sec. 14. Section 183A.5, subsection 3, Code Supplement 1985, is amended to read as follows:

3. Elect a chairperson, secretary, and other officers it deems advisable.

Sec. 15. Section 183A.5, subsection 9, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

The council or its designated agent may enter into arrangements with persons purchasing Iowa produced pork outside Iowa, for collection of the assessment from such buyers those persons.

Sec. 16. Section 183A.6, Code Supplement 1985, is amended to read as follows:

183A.6 ASSESSMENT.

The council shall make an assessment of not less than point zero zero two nor more than point zero zero three of the gross sale price of all porcine animals. The assessment shall be point zero zero two five of the gross sale price of porcine animals until consent to an assessment has been given through the initial referendum referred to in this chapter. After approval of the initial referendum, the rate of assessment shall be determined by the

council. The assessment shall be made at the time of delivery of the animals for sale, and shall be deducted by the first purchaser from the price paid to the ~~producer~~ seller. The first purchaser, at the time of sale, shall make and deliver to the ~~producer~~ seller an invoice for each purchase showing the names and addresses of the ~~producer~~ seller and the first purchaser, the number and kind of animals sold, the date of sale, and the assessment made on the sale.

Assessments shall be paid to the Iowa pork producers council or its designated agent by first purchasers at a time prescribed by the council, but not later than the last day of the month following the month in which the animals were purchased.

Sec. 17. Section 183A.7, Code Supplement 1985, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. All moneys deposited in the pork promotion fund are appropriated for the administration of this chapter and for the payment of claims based upon obligations incurred in the performance of activities and functions set forth in this chapter.

Sec. 18. Section 183A.9, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

At a time designated by the council within eighteen months after July 1, 1985 the termination of the collection of assessments under the Pork Promotion Act, the secretary shall conduct a an initial referendum under administrative procedures prescribed by the department of agriculture.

Sec. 19. NEW SECTION. 183A.9A SUSPENSION DURING NATIONAL ORDER.

1. The terms of all voting members serving on the council on January 31, 1986 terminate at the time provided in subsection 2.

2. On the date of the commencement of the collection of assessments under the Pork Promotion Act, the collection of the assessments under section 183A.6 shall be suspended. The council shall continue to operate after suspension until all refunds are paid and all funds remaining in the pork promotion fund, less a reserve for future refunds, are disbursed for the purposes enumerated in this chapter. Notwithstanding section 183A.7, the council need not retain a reserve for future referendums. Upon completion of these acts, the existence of the Iowa pork producers council is suspended. The secretary of agriculture shall certify the suspension of the council as of a date certain to the Iowa pork producers council and the Iowa pork producers association. When the existence of the council is suspended, the terms of office of council members terminate.

3. On the date of the termination of the collection of assessments under the Pork Promotion Act, the period of suspension of the assessments under subsection 2 terminates. The secretary shall collect the assessments under section 183A.6 until this duty can be resumed by the reactivated council.

4. On the date of the termination of the collection of assessments under the Pork Promotion Act, the period of suspension of the council under subsection 2 terminates. Within sixty days from this date, the secretary shall appoint voting members to the council. For purposes of section 183A.3, a voting member so appointed is deemed not to have served a previous consecutive term. The terms of office of voting members of the initial reactivated council shall be determined by lot, but members from the same district shall not serve the same terms. As nearly as possible one-third of the voting members shall serve for one year, one-third of the voting members shall serve for two years, and one-third of the voting members shall serve for three years. Subsequent voting members shall be appointed pursuant to section 183A.2.

5. The secretary shall call the first meeting of the reactivated council. Upon reactivation, the council shall reimburse the secretary for expenses incurred in carrying out the duties provided in this section.

Sec. 20. Section 184A.1, subsection 7, paragraphs c and d, Code 1985, are amended by striking the paragraphs and inserting in lieu thereof the following:

c. The Iowa turkey federation shall nominate ten representatives of the Iowa turkey industry, and the secretary shall appoint five representatives from the ten nominees or other representatives of the Iowa turkey industry of the secretary's choice as the representatives of the turkey industry on the council.

Sec. 21. Section 185.10, Code 1985, is amended to read as follows:

185.10 EX OFFICIO MEMBERS.

The secretary, the dean of the college of agriculture of Iowa State University of science and technology, and the director of the Iowa development commission or its successor agency, or their designees, and two representatives of first purchaser organizations shall serve on the board as nonvoting ex officio members. One each of the two first purchaser representatives shall be appointed by, and serve at the pleasure of, the Iowa Grain and Feed Association and Agri-Industries. The Iowa grain and feed association and agri-industries shall each nominate two first purchaser representatives, and the board shall appoint one first purchaser representative from each set of nominations or another first purchaser of its choice as the first purchaser representatives on the board.

Sec. 22. Section 185C.10, Code 1985, is amended to read as follows:

185C.10 EX OFFICIO MEMBERS.

The secretary, the dean of the college of agriculture of Iowa State University of science and technology, and the director of the Iowa development commission or its successor agency, or their designees, and two representatives of first purchaser organizations shall serve on the board as ex officio members. One each of the two first purchaser representatives shall be appointed by, and serve at the pleasure of, the Iowa Grain and Feed Association and Agri-Industries. The Iowa grain and feed association and agri-industries shall each nominate two first purchaser representatives, and the board shall appoint one first purchaser representative from each set of nominations or another first purchaser of its choice as the first purchaser representatives on the board.

Sec. 23. Section 196A.9, unnumbered paragraph 2, Code 1985, is amended to read as follows:

In addition the council shall appoint a nominating committee composed of five processors and five hatchery operators in the state. The nominating committee shall nominate two processors as candidates for each processor position and two hatchery operators as candidates for the hatchery operator position on the council. Additional processor candidates may be nominated by the written petition of twenty percent of the processors in this state, and additional hatchery operator candidates may be nominated by the written petition of twenty percent of the hatchery operators. Procedures governing the time and place of filing the nominations shall be adopted by rule and publicized by the council.

Sec. 24. Section 196A.19, Code 1985, is amended by adding the following new unnumbered paragraph as unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. All moneys deposited in the Iowa egg fund are appropriated for the administration of this chapter and for the payment of claims based upon obligations incurred in the performance of activities and functions set forth in this chapter.

Sec. 25. TRANSITION TERMS FOR MEMBERS OF THE EXECUTIVE COMMITTEE OF THE IOWA BEEF CATTLE PRODUCERS ASSOCIATION. The term of all members appointed by the Iowa beef cattle producers association and the Iowa livestock feeders association shall expire after the 1987 annual meeting of the Iowa beef cattle producers association. Five members shall be elected at the 1987 annual meeting of the Iowa beef cattle producers association and shall assume office upon this expiration.

The term of the member appointed by the Iowa livestock auction market association shall expire sixty days after the effective date of the Act. The secretary of agriculture shall appoint a livestock market representative pursuant to chapter 181 prior to this expiration and the appointee shall assume office upon this expiration.

Sec. 26. TRANSITION TERMS FOR MEMBERS OF THE IOWA PORK PRODUCERS COUNCIL. The terms of all voting members appointed prior to December 31, 1985 shall expire on June 30, 1986. The secretary of agriculture shall appoint seven voting members to assume office on July 1, 1986. The terms of office for these members shall be determined by lot, but no voting members from the same district shall serve the same term. As nearly as possible one-third of the voting members shall serve for one year, one-third of the voting members shall serve for two years, and one-third of the voting members shall serve for three years. Voting members appointed by the secretary for terms of less than three years may serve for two additional three-year terms, but no voting member shall serve more than eight consecutive years.

Sec. 27. TRANSITION TERMS FOR MEMBERS OF THE IOWA TURKEY MARKETING COUNCIL. The terms of all members of the Iowa turkey marketing council appointed from a list submitted by the Iowa turkey federation prior to the effective date of this Act expire fifty-nine days after the effective date of this Act. The secretary of agriculture shall appoint five representatives of the Iowa turkey industry to assume office sixty days after the effective date of this Act.

Sec. 28. TRANSITION TERMS FOR MEMBERS OF THE IOWA SOYBEAN PROMOTION BOARD. The terms of the members appointed by the Iowa grain and feed association and agri-industries expire fifty-nine days after the effective date of this Act. The Iowa soybean promotion board shall appoint two first purchaser representatives to assume office sixty days after the effective date of this Act.

Sec. 29. TRANSITION TERMS FOR MEMBERS OF THE IOWA CORN PROMOTION BOARD. The terms of all members appointed by the Iowa grain and feed association and agri-industries expire fifty-nine days after the effective date of this Act. The Iowa corn promotion board shall appoint two first purchaser representatives to assume office sixty days after the effective date of this Act.

Sec. 30. This Act, being deemed of immediate importance, takes effect from and after its publication in *The Messenger*, a newspaper published in Fort Dodge, Iowa, and in *The Daily Reporter*, a newspaper published in Spencer, Iowa.

Approved April 18, 1986

I hereby certify that the foregoing Act, House File 2379, was published in *The Messenger*, Fort Dodge, Iowa, on April 23, 1986, and in *The Daily Reporter*, Spencer, Iowa, on April 23, 1986.

MARY JANE ODELL, *Secretary of State*