

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4

# A Bill

SENATE BILL 349

5 By: Senators Laverty, G. Jeffress, Salmon, H. Wilkins  
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## For An Act To Be Entitled

9 AN ACT TO LEVY AN ASSESSMENT ON THE SALE OF RICE;  
10 TO REQUIRE THE BUYER TO COLLECT AND REMIT THE  
11 ASSESSMENT; TO PROVIDE FOR THE USE OF THE  
12 COLLECTED ASSESSMENTS AND CONSIDERATION OF  
13 PRODUCER PREFERENCES; AND FOR OTHER PURPOSES.  
14

## Subtitle

15 TO LEVY AN ASSESSMENT ON A RICE SALE; TO  
16 REQUIRE THE BUYER TO COLLECT AND REMIT  
17 THE ASSESSMENT; AND TO PROVIDE FOR THE  
18 ASSESSMENT'S USE AND CONSIDERATION OF  
19 PRODUCER PREFERENCES.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 2-20-507 is amended to read as follows:

26 2-20-507. Assessments on grown rice.

27 (a) There ~~are~~ is imposed and levied+

28 ~~(1) An an~~ assessment at the rate of ~~one and thirty five~~  
29 ~~hundredths cents (1.35¢)~~ two and seven-tenths cents (2.7¢) per bushel to be  
30 paid by the producer ~~by the buyer~~ at the first point of sale, whether within  
31 or without the state, on rice grown within the state or at the point the rice  
32 enters into the United States Department of Agriculture loan program; ~~and.~~

33 ~~(2) An assessment at the rate of one and thirty five hundredths~~  
34 ~~cents (1.35¢) per bushel to be paid by the producer on all rice grown within~~  
35 ~~this state.~~

36 (b) (1)(A) The assessment imposed and levied by ~~this~~ subsection (a) of



1 ~~this~~ section shall be collected by ~~the Director of the Department of Finance~~  
 2 ~~and Administration~~ from the buyer of rice at the first point of sale or at  
 3 the point the rice enters into the United States Department of Agriculture  
 4 loan program.

5 (B) The buyer of rice shall remit the assessment collected  
 6 under subdivision (b)(1)(A) of this section to the Director of the Department  
 7 of Finance and Administration on the form prepared by the director for that  
 8 submission.

9 (2) The form for the remittance by the buyer of rice under  
 10 subdivision (b)(1) of this section shall show:

11 (A) The total amount of assessments collected by the rice  
 12 buyer during the month; and

13 (B) The producer's preference for disbursements under  
 14 subdivision (d)(2)(B) of this section to either the USA Rice Federation or  
 15 the US Rice Producers Association or no preference.

16 (3) The director shall provide the Arkansas Rice Research and  
 17 Promotion Board with a monthly report summarizing the producers' preferences  
 18 for disbursements under subdivision (d)(2)(B) of this section.

19 (c)(1) The proceeds of the assessment, less not more than three  
 20 percent (3%) to cover the cost of collections, shall be deposited by the  
 21 director with the Treasurer of State in ~~a special fund to be established for~~  
 22 ~~the Arkansas Rice Research and Promotion Board to the credit of the board~~ the  
 23 Arkansas Rice and Research and Promotion Fund, § 19-6-451.

24 (2) The Treasurer of State shall make a disbursement from the  
 25 fund ~~Disbursement shall be made~~ only upon a motion ~~duly~~ passed by the board  
 26 and presented to the Treasurer of State and only for a purpose prescribed in  
 27 this subchapter.

28 (d)(1) The funds derived from the assessment ~~paid by a buyer at the~~  
 29 ~~first point of sale~~ shall be used for:

30 ~~(A) Market development and promotion;~~

31 ~~(B) Basic administration expenses; and~~

32 ~~(C) Defraying the costs of referenda that the board may~~  
 33 ~~refer to buyers of rice~~ the board's administrative expenses and operational  
 34 costs.

35 ~~(2) The funds derived from the assessment paid by a producer~~  
 36 ~~shall be used for:~~

1                   ~~(A) Rice extension and rice research;~~  
 2                   ~~(B) Basic administration expenses; and~~  
 3                   ~~(C) Defraying the costs of referenda that the board may~~  
 4 ~~refer to producers of rice.~~

5                   (2) After paying the expenses and costs under subdivision (d)(1)  
 6 of this section, the board shall expend the remaining funds as follows:

7                   (A) Fifty percent (50%) on rice research; and

8                   (B)(i) Fifty percent (50%) on the promotion and market  
 9 development of rice in a manner consistent with the producers' allocation  
 10 preferences as reflected in the director's reports to the board under  
 11 subdivision (b)(3) of this section.

12                   (ii) If the director's reports to the board under  
 13 subdivision (b)(3) of this section reflect no producer preference for a  
 14 portion of the disbursement to be made under subdivision (d)(2)(B) of this  
 15 section, the board shall treat that portion as a preference for an even  
 16 division between the USA Rice Federation and the US Rice Producers  
 17 Association.

18                   ~~(3)(e) Funds spent under subdivisions (d)(1) and (2) subdivision~~  
 19 (d)(2) of this section may be applied within or without Arkansas, including  
 20 regional, national, and international applications.

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