

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.

INTERIM STUDY PROPOSAL 2007- 171

State of Arkansas

As Engrossed: S3/28/07

86th General Assembly

**A Bill**

Regular Session, 2007

SENATE BILL 896

By: Senators Broadway, Salmon

Referred To:

Agriculture, Forestry & Economic Development - Senate

by the Arkansas Senate

on 03/29/2007

**For An Act To Be Entitled**

AN ACT TO AMEND THE ARKANSAS RICE RESEARCH AND PROMOTION ACT; AND FOR OTHER PURPOSES.

**Subtitle**

AN ACT TO AMEND THE ARKANSAS RICE RESEARCH AND PROMOTION ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 2-20-501 is amended to read as follows:  
2-20-501. Title.

This subchapter shall be known and may be cited as the "Arkansas Rice Research and Promotion Act of ~~1999~~ 2007".

SECTION 2. Arkansas Code § 2-20-507 is amended to read as follows:  
2-20-507. Assessments on grown rice.

~~(a) There are imposed and levied:~~

~~(1) An assessment at the rate of one and thirty five hundredths cents (1.35) per bushel to be paid by the buyer at the first point of sale, whether within or without the state, on rice grown within the state or at the point the rice enters into the United States Department of Agriculture loan program; and~~



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

4           ~~(b) The assessment imposed and levied by this section shall be~~  
5 ~~collected by the Director of the Department of Finance and Administration~~  
6 ~~from the buyer of rice at the first point of sale or at the point the rice~~  
7 ~~enters into the United States Department of Agriculture loan program.~~

8           ~~(c)(1) The proceeds of the assessment, less not more than three~~  
9 ~~percent (3%) to cover the cost of collections, shall be deposited with the~~  
10 ~~Treasurer of State in a special fund to be established for the Arkansas Rice~~  
11 ~~Research and Promotion Board to the credit of the board.~~

12           ~~(2) Disbursement shall be made only upon a motion duly passed by~~  
13 ~~the board and presented to the Treasurer of State and only for a purpose~~  
14 ~~prescribed in this subchapter.~~

15           (a)(1)(A) There is imposed and levied an assessment at the rate of two  
16 and seven-tenths cents (2.7¢) per bushel on all rice grown within the state  
17 from that date an election under subdivision (a)(3)(B) of this section  
18 authorizes an assessment of rice until July 1, 2009.

19           (B) This assessment shall be deducted from the amount paid  
20 the producer at the first point of sale, whether within or without the state,  
21 or at the point the rice enters into the United States Department of  
22 Agriculture loan program.

23           (2)(A) The assessment shall not be imposed unless:

24                   (i) The question of its imposition has been  
25 submitted to and approved by at least three-fifths (3/5) of the rice  
26 producers that vote in the referendum to be called and held within ninety  
27 (90) days after August 1, 2007; and

28                   (ii) A minimum of ten percent (10%) of rice  
29 producers, as determined by the latest available agricultural census data,  
30 shall have voted.

31           (B) The rice producers shall be notified by the Arkansas  
32 Rice Research and Promotion Board of the results of the referendum.

33           (3)(A) An assessment imposed under this section shall be a  
34 continuing levy until either terminated by the board or until another  
35 election is held at which a majority of the rice producers in the state vote  
36 against the levy.

1                   (B)(i) If petitions containing the signatures of twenty  
2 percent (20%) of the rice producers in the state, as determined by the latest  
3 available agricultural census, are filed with the board requesting that the  
4 question of *levying* the assessment be submitted to a vote of the rice  
5 producers, the board shall cause an election to be held within ninety (90)  
6 days after the filing of the petitions.

7                   (ii) The election shall be conducted in the same  
8 manner as the initial election held on the question of the levy of the  
9 assessment.

10                   (iii) If a majority of the producers voting at the  
11 election vote against the levy of the assessment, the assessment shall not be  
12 levied unless and until a levy is approved at a subsequent election called by  
13 the board.

14                   (b)(1) The assessment imposed and levied by this section shall be  
15 collected by the Director of the Department of Finance and Administration  
16 from the buyer of rice at the first point of sale or at the point the rice  
17 enters into the United States Department of Agriculture loan program.

18                   (2)(A) The proceeds of the assessment, less not more than three  
19 percent (3%) to cover cost of collections, shall be deposited with the  
20 Treasurer of State into a special fund to be established for the board to the  
21 credit of the board.

22                   (B) Of the amount of the proceeds of the assessment that  
23 are deposited with the Treasurer of State under subdivision (b)(2)(A) of this  
24 section:

25                   (i) Sixty percent (60%) shall be spent on rice  
26 research; and

27                   (ii) Forty percent (40%) shall be spent on  
28 promotion.

29                   (C) Disbursement of the assessment imposed and levied in  
30 this section shall be made only upon motions passed by the board and  
31 presented to the Treasurer of State and only for purposes prescribed in this  
32 subchapter.

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

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

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

1                   ~~(C) Defraying the costs of referenda that the board may~~  
2 ~~refer to buyers of rice.~~

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

5                   ~~(A) Rice extension and rice research;~~

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

7                   ~~(C) Defraying the costs of referenda that the board may~~  
8 ~~refer to producers of rice.~~

9                   (3) Funds under ~~subdivisions (d)(1) and (2)~~ subdivision (b)(2)(B) of  
10 this section may be applied within or without Arkansas, including regional,  
11 national, and international applications.

12  
13                   SECTION 3. Arkansas Code Title 2, Chapter 20, Subchapter 5 is amended  
14 to add additional sections to read as follows:

15                   2-20-512. Referendum in each county.

16                   (a) The Arkansas Rice Research and Promotion Board shall appoint three  
17 (3) rice producers from each county that shall be responsible for holding a  
18 referendum in the county.

19                   (b) The board shall set the dates for a referendum.

20                   (c) Voting shall be in Agricultural Stabilization and Conservation  
21 Service offices under supervision of the three (3) producers appointed to  
22 hold a referendum.

23                   (d) Ballots shall be furnished by the board.

24                   (e) The result shall be certified not more than three (3) days after  
25 the election, on forms furnished by the board, by registered mail to the  
26 board.

27                   (f) The board shall be reimbursed from funds collected for the cost of  
28 holding a referendum.

29  
30                   2-20-513. Disbursements of deposited funds.

31                   (a) A rice producer may have the amount deposited with the Treasurer  
32 of State under § 2-20-507(b)(2)(B)(ii) from the sale of his or her rice  
33 disbursed to:

34                   (1) The USA Rice Federation; or

35                   (2) The US Rice Producers Association.

36                   (b) The Arkansas Rice Research and Promotion Board shall create a

1 check-off card to allow rice producers to choose to:

2 (1) Receive a refund under subdivision (a)(1) of this section;

3 (2) Disburse the amount under subdivision (a)(2) of this section  
4 to the USA Rice Federation; or

5 (3) Disburse the amount under subdivision (a)(2) of this section  
6 to the United States Rice producers Association.

7 (c) The board shall make the check-off cards available to rice  
8 producers at each local Farm Service Agency office when the rice producers  
9 certify the rice acres planted.

10 (d)(1) The board shall ensure that the check-off cards are delivered  
11 to the Department of Finance and Administration.

12 (2) If the board passes a motion under § 2-20-507(b)(2)(C), the  
13 department shall disburse funds as indicated on the check-off cards.

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15 */s/ Broadway*  
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