

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 2009-148

State of Arkansas

As Engrossed: S2/23/09 S3/23/09

87th General Assembly

A Bill

Regular Session, 2009

SENATE BILL 349

By: Senators Laverty, G. Jeffress, Salmon, H. Wilkins, *J. Taylor*

Filed with: Senate Interim Committee on Agriculture, Forestry and Economic Development
pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

*AN ACT TO REQUIRE THE BUYER TO REMIT THE
ASSESSMENT ON THE SALE OF RICE; TO PROVIDE FOR
THE ASSESSMENT'S USE AND CONSIDERATION OF BUYER
AND PRODUCER PREFERENCES; AND FOR OTHER PURPOSES.*

Subtitle

*TO REQUIRE THE BUYER TO REMIT THE
ASSESSMENT ON THE SALE OF RICE; AND TO
PROVIDE FOR THE ASSESSMENT'S USE AND
CONSIDERATION OF BUYER AND PRODUCER
PREFERENCES.*

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

SECTION 1. 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

(2) An assessment at the rate of one and thirty-five hundredths cents (1.35¢) per bushel to be paid by the producer on all rice grown within



1 *this state.*

2 (b)(1)(A) The assessment imposed and levied by ~~this subsection (a) of~~
3 this section shall be collected by ~~the Director of the Department of Finance~~
4 ~~and Administration~~ from the buyer of rice at the first point of sale or at
5 the point the rice enters into the United States Department of Agriculture
6 loan program.

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

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

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

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

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

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

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

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

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

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

35 (C) ~~Defraying the costs of referenda that the board may~~
36 ~~refer to buyers of rice~~ the board's administrative expenses and operational

1 costs.

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

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

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

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

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

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

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

15 (ii) If the director's reports to the board under
16 subdivision (b)(3) of this section reflect no *buyer or producer preference*
17 for a *portion of the disbursement to be made under subdivision (d)(2)(B)(i)*
18 of this section, the board shall allocate that portion between the *USA Rice*
19 *Federation and the US Rice Producers Association in the same proportion as*
20 *the allocation was made under subdivision (d)(2)(B)(i) of this section.*

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

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25 /s/ Laverty
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