

Regular Session, 2014

HOUSE BILL NO. 886

BY REPRESENTATIVE MONToucET

AGRICULTURE/RICE: Provides relative to assessments levied by the Louisiana Rice Research Board

1 AN ACT

2 To amend and reenact R.S. 3:3543(B), (C), and (D), 3544(Section Heading), (A)(1) and (3),  
3 (E), (F)(3) and (4), and (H)(1), and 3547(A), and to repeal R.S. 3: 3544(A)(10), (B),  
4 and (H)(5), relative to the Louisiana Rice Research Board; to provide for the  
5 appointing authority of the board and membership terms; to provide for the levy of  
6 certain assessments on dry rough "paddy" rice; to provide relative to the time period  
7 for the transfer of funds; to repeal authority for referenda for assessment purposes;  
8 and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 3:3543(B), (C), and (D), 3544(Section Heading), (A)(1) and (3), (E),  
11 (F)(3) and (4), and (H)(1), and 3547(A) are hereby amended and reenacted to read as  
12 follows:

13 §3543. Louisiana Rice Research Board; creation and organization

14 \* \* \*

15 B. The board shall be composed of thirteen members appointed by the  
16 ~~governor~~ commissioner, subject to Senate confirmation. Each member shall be a rice  
17 producer. ~~Members shall serve for four-year terms which shall begin on the first day~~  
18 ~~of July in 1988 and each four years thereafter.~~ Members shall be appointed in  
19 accordance with the following provisions:

20 \* \* \*

1           C. ~~Not less than thirty days prior to July 1, 1988, and every four years~~  
2           ~~thereafter, the~~ The Louisiana Farm Bureau, Inc., the Louisiana Rice Growers  
3           Association, and the American Rice Growers Cooperative Association each shall  
4           submit the names of their nominees, all of whom shall be rice producers, to the  
5           ~~governor~~ commissioner who shall appoint the required number of board members  
6           from each set of nominees. In the event that the ~~governor~~ commissioner fails to  
7           appoint the members of the board in accordance with this Section, the current  
8           members shall continue to serve until their replacements are appointed. Board  
9           members shall be eligible to succeed themselves on the board if they meet the  
10          prescribed qualifications and are reappointed by the ~~governor~~ commissioner.

11          D. The members of the board shall meet and organize immediately after their  
12          appointment and shall elect a chairman, vice chairman, and secretary-treasurer from  
13          the membership of the board, whose duties shall be those customarily exercised by  
14          such officers or specifically designated by the board. The board may establish rules  
15          and regulations for its own government and the administration of the affairs of the  
16          board and shall have the following duties, functions, and authorizations in addition  
17          to and in conjunction with the aforementioned:

18                ~~(1) To plan and conduct referenda among producers for the approval or~~  
19                ~~disapproval of the program in accordance with the provisions of this Chapter.~~

20                ~~(2)~~ (1) To make recommendations and to advise the commissioner  
21                concerning rules and regulations relating to the administration of the collection of  
22                the assessments.

23                ~~(3)~~ (2) To receive the funds from the state treasury in accordance with the  
24                provisions of this Chapter.

25                ~~(4)~~ (3) To expend funds collected for rice research and to enter into contracts  
26                with rice research organizations and/or agencies relating to the production, handling,  
27                marketing, or utilization of rice for the purposes of research.

28                ~~(5)~~ (4) To keep minutes, books, and records which will clearly reflect all of  
29                its meetings, acts, and transactions. Said minutes, books, and records shall at all

1 times be subject to examination by any rice producer on whom an assessment has  
2 been collected.

3 ~~(6)~~ (5) To publicize the actions of the board in the news media serving the  
4 rice areas of Louisiana.

5 \* \* \*

6 §3544. Levy of assessment; ~~referendum~~; collection; enforcement; transfer of funds

7 A. Levy of assessment.

8 (1) There is imposed and levied an assessment at the rate ~~not to exceed~~ of  
9 three cents per hundredweight, or the equivalent thereof, of dry rough "paddy" rice  
10 produced in this state.

11 \* \* \*

12 (3) The obligation to pay the assessment shall apply to the producer for all  
13 rice marketed by him. To facilitate collection, this assessment is to be deducted by  
14 each miller or handler from the amount paid the producer at the first point of sale  
15 only, whether within or ~~without~~ outside the state; ~~however, the assessment shall not~~  
16 ~~be imposed unless and until the question of its imposition and the amount thereof has~~  
17 ~~been submitted to and been approved by a majority of the rice producers who vote~~  
18 ~~in referendum to be called and held by the board within ninety days following the~~  
19 ~~effective date of this Chapter. If the assessment is approved as provided in this~~  
20 ~~Section, the assessment shall become effective July 1, 1973.~~

21 \* \* \*

22 E. Refunds.

23 ~~(1)~~ Any rice producer may request and receive a refund of the amount  
24 deducted from his share of the proceeds from the sale of his rice provided he makes  
25 a written application with the commissioner within thirty days from the date of sale  
26 supported by copies of weight or settlement sheets by the buyer and provided further  
27 that the application is filed before the annual accounting is made and the funds paid  
28 to the board.

~~(2) Provided however, the refund as provided in this Subsection shall not be available if a majority of the rice producers who vote in a referendum to be called and held by the board after January 1, 1992, vote to abolish the refund provisions of this Subsection.~~

~~(3) If a majority of the rice producers who vote in such a referendum vote to abolish the refund provisions, such refund provisions shall be null and void and shall thereafter have no effect.~~

8 F. Transfer of funds.

9 \* \* \*

(3) The commissioner of agriculture shall ~~annually~~ monthly pay over to the Louisiana Rice Research Board the funds collected less the actual cost of administering and collecting the assessment levied herein up to but not to exceed two percent of the gross amount collected.

(4) The ~~annual~~ monthly settlement to the Louisiana Rice Research Board shall be ~~made as of the first day of July of each year and shall be accompanied by a~~ complete audit of all funds collected and disbursed, and costs actually incurred in the collection and administration of the assessment.

18 \* \* \*

## 19 H. Additional assessments.

(1) In addition to all other assessments levied pursuant to this Section there is hereby levied an assessment at a rate ~~not to exceed~~ of two cents per hundredweight, or the equivalent thereof, on dry rough "paddy" rice produced in this state.

24 \* \* \*

25 §3547. Use of funds

A. The board shall dedicate, after deducting for administrative expenses, the amounts determined needed for rice research. The board shall have authority to contract for services in order to accomplish the purpose for which it is created. Use of these funds may be applied within or ~~without~~ outside the State of Louisiana,

1 including regional, national and international applications as long as the research will  
2 benefit Louisiana rice producers. ~~Such funds may also be used to defray costs or~~  
3 ~~referenda.~~

4 \* \* \*

5 Section 2. R.S. 3:3544(A)(10), (B) and (H)(5) are hereby repealed in their entirety.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Montoucet

HB No. 886

**Abstract:** Changes the appointing authority for the La. Rice Research Board and removes the term of appointment, provides for certain assessments to be levied, imposed, and collected on dry rough "paddy" rice, and repeals referenda for assessment purposes.

Present law provides for the 13-member La. Rice Research Board to be appointed by the governor for 4-year terms from lists of nominees submitted by the La. Farm Bureau, the La. Rice Growers Assoc., and the American Rice Growers Cooperative Assoc.

Proposed law retains present law relative to nominating entities but changes the present law nominating authority from the governor to the commissioner and removes the 4-year term of appointment.

Present law provides for board members to elect certain officers, establish rules and regulations, and be empowered with the following duties:

- (1) To plan and conduct referenda among producers for the approval or disapproval of the program.
- (2) To receive funds from the state treasury.
- (3) To make recommendations to the commissioner concerning rules and regulations relative to the collection of the assessment.
- (4) To expend collected funds for rice research and enter into contracts with certain organizations for purposes of rice research.
- (5) To keep accurate minutes, books, and records reflective of all meetings, acts, and transactions which are subject to examination by any rice producer.
- (6) To publicize board actions in news media serving the rice areas of the state.

Proposed law retains present law provisions for the election of officers, establishment of rules and regulations and certain duties but removes the present law board duty to plan and conduct referenda for program purposes.

Present law provides for an assessment to be levied and imposed at a rate not to exceed 3¢ per hundredweight of dry rough "paddy" rice to be collected at the first point of sale. Further provides that the assessment not be imposed until its imposition and the amount thereof has been submitted to a majority of rice producers in a referendum vote.

Proposed law retains present law collection provisions but changes the present law assessment amount from a 0-to-3¢ range to 3¢ per hundredweight on dry rough "paddy" rice and removes the present law referendum provision for assessment purposes.

Present law provides for an assessment refund pursuant to a written application with the commissioner within 30 days from the date of the sale and prior to the annual accounting and transfer of funds to the board. Further provides for a referendum vote of the producers to abolish the refund provisions which would render such refund null and void.

Proposed law retains the present law provision for an assessment refund subject to written application with the commissioner within a certain time period but removes present law referendum requirements to abolish refund provisions.

Present law provides for the commissioner to annually transfer to the board funds collected less administrative costs in an amount not to exceed 2% of the gross amount collected. Further provides that the annual settlement to the board be accompanied by a complete audit of all funds collected and disbursed.

Proposed law retains present law relative to the transfer of funds to the board with the accompanying audit but changes the present law fund transfer period from annually to monthly.

Present law provides for the levy of an additional assessment at a rate not to exceed 2¢ per hundredweight on dry rough "paddy" rice.

Proposed law changes the present law additional assessment rate from a 0-to-2¢ range to 2¢ per hundredweight.

Present law authorizes the board to determine an amount needed for rice research and to contract for services to accomplish such need. Further provides for the application of funds within or outside of the state subject to the benefit of La. rice producers. Additionally allows use of funds to defray costs or referenda.

Proposed law retains the present law provisions relative to the expenditure of funds for rice research and contracted services but removes the present law provision for fund allowance to defray costs or referenda.

Present law allows the assessment on rice to be extended indefinitely in 5-year increments by approval in a referendum vote of rice producers.

Proposed law repeals present law.

Present law provides for the imposition of the assessment only by referendum vote of a majority of rice producers. Further provides for criteria for participation in a referendum and for notification of the referendum results.

Proposed law repeals present law.

Present law provides that additional assessments be subject to all other assessment requirements including provisions for referenda and extension in 5-year increments, subject to referenda.

Proposed law repeals present law.

(Amends R.S. 3:3543(B), (C), and (D), 3544(Section Heading), (A)(1) and (3), (E), (F)(3) and (4), and (H)(1); Repeals R.S. 3:3544(A)(10), (B) and (H)(5))