DIGEST

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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.

<u>Present law</u> 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.

<u>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.</u>

<u>Present law</u> 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.

<u>Proposed law</u> retains <u>present law</u> provisions for the election of officers, establishment of rules and regulations and certain duties but removes the <u>present law</u> 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.

<u>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.</u>

<u>Present law</u> 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.

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

<u>Present law</u> 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.

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

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

<u>Proposed law</u> changes the <u>present law</u> additional assessment rate <u>from</u> a 0-to-2 ϕ range <u>to</u> 2ϕ per hundredweight.

<u>Present law</u> 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.

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

<u>Present law</u> 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.

<u>Present law</u> 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.

<u>Present law</u> 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))