

2015 Regular Session

HOUSE BILL NO. 760

BY REPRESENTATIVE FANNIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AGRICULTURE/BEEF: Provides relative to assessments levied by the Louisiana Beef Industry Council

1 AN ACT

2 To amend and reenact R.S. 3:2054, 2055(A)(2), (8), and (9), 2056(B), 2057, 2058(A), (B),  
3 and (C), and 2059, to enact R.S. 3:2058(K), and to repeal R.S. 3:2062, relative to the  
4 Louisiana Beef Industry Council; to provide for the domicile of the council; to  
5 provide for the council membership and terms of office; to provide for powers and  
6 duties of the council; to provide for certain assessments and refunds; to repeal the  
7 authority for referendum for assessment purposes; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 3:2054, 2055(A)(2), (8), and (9), 2056(B), 2057, 2058(A), (B) and  
10 (C), and 2059 are hereby amended and reenacted, and R.S. 3:2058(K) is hereby enacted to  
11 read as follows:

12 §2054. Creation and organization

13 A. The Louisiana Beef Industry Council is hereby created and shall be within  
14 the Department of Agriculture and Forestry as provided for agencies transferred to  
15 said department by R.S. 36:629(E). ~~The council shall be domiciled in the city of Port~~  
16 ~~Allen, West Baton Rouge Parish, Louisiana.~~

17 B.(1) The council shall be composed of ~~eleven members, ten of whom shall~~  
18 ~~be cattle producers. The ten~~ nine cattle producer members are appointed as follows:

19 (a) ~~The president of the Louisiana Cattlemen's Association.~~

1           ~~(b) Five~~ Three cattle producer members, ~~one of which shall be a pure bred~~  
2 ~~breeder, shall be appointed by the executive committee of the Louisiana Cattlemen's~~  
3 ~~Association, subject to approval of the Board of Directors of the Louisiana~~  
4 ~~Cattlemen's Association to serve on the council for rotating three-year terms.~~

5           ~~(c)~~(b) ~~One representative~~ Two representatives of the Louisiana Livestock  
6 Auction Markets Association ~~shall be appointed by the Board of Directors of the~~  
7 Louisiana Livestock Auction Markets Association ~~and shall serve a three-year term.~~

8           ~~(d)~~(c) Three cattle producer representatives of the Louisiana Farm Bureau  
9 Federation ~~shall be appointed by the Louisiana Farm Bureau Federation president~~  
10 ~~and shall serve for rotating three-year terms.~~

11           (d) One cattle producing member appointed by the Cattle Producers of  
12 Louisiana.

13           (2) In addition, the commissioner of agriculture shall serve as an ex officio  
14 member of the council in an advisory capacity only.

15           (3) Members shall serve four year terms concurrent with that of the  
16 governor, with the initial appointments commencing on January 11, 2016.

17           C. ~~The terms of the initial appointees shall be designated by the president of~~  
18 ~~the Louisiana Cattlemen's Association at the time of appointment in such manner~~  
19 ~~that three of the initial appointees shall serve a one-year term; three of the initial~~  
20 ~~appointees shall serve a two-year term; and three of the initial appointees shall serve~~  
21 ~~a three-year term. Thereafter, all subsequent appointments shall be for three-year~~  
22 ~~terms. No appointee shall serve more than two consecutive three-year terms on the~~  
23 ~~council.~~

24           ~~D.~~ Thereafter and not less than thirty days prior to the expiration of the term  
25 of office, except for those serving by virtue of their elective office, the aforementioned  
26 organizations and agencies shall submit the names of appointments to the council.  
27 Vacancies which occur shall be filled in the same manner as the original  
28 appointments and for the unexpired term.

1           E. D. The council shall meet and organize immediately after appointment  
2 of the members, and shall elect the chairman, vice chairman, and secretary-treasurer  
3 from the membership of the council, whose duties shall be those customarily  
4 exercised by such officers or specifically designated by the council. The officers  
5 shall serve a one-year term. The council may establish rules and regulations for its  
6 own government and for the administration of the affairs of the council.

7           F. E. Council members shall receive no salary for their services as members,  
8 but shall be reimbursed for actual travel and other expenses incurred in attendance  
9 at meetings of the council or while on official business of the council assigned by the  
10 council. The reimbursement shall be paid out of funds available to the council.

11 §2055. Powers and duties of the council; quorum

12           A. The council shall:

13   \*       \*       \*

14           (2) Meet regularly, ~~not less often than once in each calendar quarter or at~~  
15 ~~such other times as called by the chairman, or when requested by six or more~~  
16 ~~members of the council~~ at least once annually or by a special meeting called by the  
17 chairman.

18   \*       \*       \*

19           (8) Maintain frequent communications with officers and industry  
20 representatives of the ~~National Livestock and Meat Board~~ Cattleman's Beef  
21 Promotion and Research Board.

22           (9) Establish reasonable rules and regulations ~~for its own government and~~  
23 ~~the administration of the affairs of the council~~ for the operation and functioning of  
24 the council.

25   \*       \*       \*

26 §2056. Use of funds

27   \*       \*       \*

28           B. All funds available to the council shall be expended only to effectuate the  
29 purposes of this Part and shall not be used for political purposes in any manner. A

1 report of all expenditures shall be ~~made~~ published annually ~~to the state conventions~~  
2 ~~of the Louisiana Cattlemen's Association and the Louisiana Farm Bureau Federation.~~

3 §2057. Additional powers of council

4 The council may:

5 (1) Sue and be sued as a council, without individual liability of the members  
6 for acts of the council when acting within the scope of the powers of this Part, and  
7 in a manner prescribed by the laws of this state.

8 ~~(2) Borrow money from licensed lending institutions in amounts which are~~  
9 ~~not cumulatively greater than fifty percent of anticipated annual income.~~

10 ~~(3) Appoint advisory groups composed of representatives from~~  
11 ~~organizations, institutions, governments, or business related to or interested in the~~  
12 ~~welfare of the cattle and beef industry and consumers.~~

13 ~~(4)~~ (2) Employ subordinate officers and employees of the council and  
14 prescribe their duties and fix their compensation and terms of employment.

15 ~~(5)~~ (3) Accept grants, donations, contributions, or gifts from any source, but  
16 only if the use of such resources is not restricted in any manner which is deemed  
17 inconsistent with the objectives of the program.

18 §2058. Levies, assessments, collection, and enforcement

19 A. The ~~council~~ commissioner of agriculture and forestry is authorized to  
20 collect any assessment in accordance with the Federal Beef Promotion and Research  
21 Act of 1985 on all Louisiana cattle purchased or sold within or outside of Louisiana.  
22 This assessment shall be known as the "federal assessment" for the purposes of this  
23 Part. The collecting person shall deduct the amount of the federal assessment subject  
24 to any credits due to the producer from the gross receipts of the producer at the time  
25 of sale. The purpose of the federal assessment shall be for the producer's  
26 participation in the Federal Beef Promotion and Research Program and by virtue of  
27 the federally authorized credit for the producer's participation in the Louisiana Beef  
28 Promotion and Research Program.

1 B. ~~The council may also levy~~ There is hereby imposed and levied an  
2 ~~additional~~ a state assessment at the rate of fifty cents per head on all Louisiana cattle  
3 marketed within or outside Louisiana. This assessment shall be known as the "state  
4 assessment" for the purposes of this Part. The collecting person shall deduct the  
5 amount of the state assessment subject to any credits due to the producer from the  
6 gross receipts of the producer at the time of the sale. The purpose of this state  
7 assessment shall be to fund youth activities and for producer's participation in the  
8 Louisiana Beef Promotion and Research Program.

9 C. The fifty cent state assessment shall be refundable as provided for in ~~R.S.~~  
10 ~~3:555.9~~ R.S. 3:2059.

11 \* \* \*

12 K. The commissioner of agriculture shall monthly transfer to the Louisiana  
13 Beef Industry Council the funds collected minus the actual cost of administering and  
14 collecting the state assessment levied pursuant to this Section up to but not to exceed  
15 two percent of the gross amount collected.

16 §2059. Refunds

17 A.(1) Any producer of Louisiana cattle marketed within or outside Louisiana  
18 shall be entitled to a refund of fifty cents per head from the state assessment levied  
19 and collected under the authority of this Part.

20 (2) ~~The council shall notify each producer by mail of the refund provisions~~  
21 ~~and procedures on or before August 15, 1995 and on or before August fifteenth of~~  
22 ~~each year thereafter. The producers shall be notified from a list, provided by each~~  
23 ~~collecting person, of persons who have made payment for cattle to the collecting~~  
24 ~~person. On or before August fifteenth of each year, the council shall notify~~  
25 producers of the refund provisions and procedures, which shall be published in the  
26 official state journal and posted on the website of the Louisiana Department of  
27 Agriculture and Forestry and the Louisiana Beef Industry Council.

28 B. Any request for a refund shall be submitted to the ~~council~~ commissioner  
29 of agriculture and forestry in written form by the cattle producer or owner on or

1 before the fifteenth day of the month following the month in which the sale of the  
 2 cattle that were the subject of assessment took place. The request for a refund shall  
 3 include the following information: the date and place of the sale, number of cattle  
 4 sold, amount of the assessment collected, and signature of the seller of the related  
 5 cattle. The request for a refund shall be accompanied by a copy of the relevant  
 6 check-in sheet.

7 C. If the ~~council~~ commissioner of agriculture and forestry has reasonable  
 8 doubt that a refund claim is valid, the ~~council~~ commissioner of agriculture and  
 9 forestry may withhold payment and take such action as it deems necessary to  
 10 determine its validity. Any person who makes a false claim shall be subject to a civil  
 11 penalty of not more than one thousand dollars payable to the council.

12 Section 2. R.S. 3:2062 is hereby repealed in its entirety.

#### 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)]

HB 760 Engrossed

2015 Regular Session

Fannin

**Abstract:** Changes the appointing authority, membership, and appointment terms of the La. Beef Industry Council, removes the domiciliary requirement, clarifies the duties and additional powers of the council and reporting of funds, provides for the authority to levy certain assessments with refunds, provides for use of the state assessment, and removes the referendum for assessment purposes.

Present law provides for the creation of the La. Beef Industry Council within the La. Dept. of Agriculture and Forestry (LDAF) and requires the council to be domiciled in the city of Port Allen, West Baton Rouge Parish, La.

Proposed law retains present law but removes the domiciliary requirement.

Present law provides for the La. Beef Industry Council to be composed of 10 cattle producers as follows: (1) the president of the La. Cattlemen's Association, (2) five cattle producers appointed by the executive committee of the La. Cattlemen's Association, (3) one representative of the La. Livestock Auction Markets Association appointed by its board of directors, and (4) three representatives of the La. Farm Bureau Federation appointed by its president. Further provides for three-year terms of appointment with a maximum of two consecutive terms. Additionally provides for the commissioner of agriculture to serve as an ex officio member.

Proposed law provides for the council to be composed and appointed as follows: (1) three cattle producers appointed by the La. Cattlemen's Association, (2) two representatives appointed by the La. Livestock Auction Markets Association, and (3) three cattle producer representatives appointed by the La. Farm Bureau Federation. Proposed law changes terms

of office to be concurrent with the governor with initial appointments commencing Jan. 11, 2016.

Present law provides for certain powers and duties of the council to include meeting once a quarter or at other times as called by the chairman or at least six members of the council, maintaining communications with industry representatives of the National Livestock and Meat Board, and establishing rules and regulations for its own governance.

Proposed law retains present law but changes the provision for meetings to be held at least once annually or as called by the chairman. Proposed law changes the communication requirement with the National Livestock and Meat Board to communications with the Cattlemen's Beef Promotion and Research Board., and provides for the establishment of reasonable rules and regulations for the operation and functioning of the council.

Present law prohibits the council from using any available funds for political purposes. Provides that an expenditure report be made annually to the state conventions of the La. Cattlemen's Association and the La. Farm Bureau Federation.

Proposed law retains present law but requires that the annual expenditure report be published rather than made to state conventions.

Present law provides the council with certain additional powers to include: (1) the ability to sue and be sued, (2) to borrow money from licensed lending institutions in certain amounts, (3) to appoint advisory groups composed of representatives from various public and private entities, (4) to employ subordinate officers and employees, and (5) to accept grants, donations, and contributions.

Proposed law retains present law but removes the ability of the council to borrow money from lending institutions and to appoint advisory groups.

Present law allows the council to levy an additional 50¢ per head state assessment on all La. cattle marketed within or outside of the state. Further provides that the state assessment be used for the producer's participation in the La. Beef Promotion and Research Program. Additionally provides for a refund of the state assessment as noted to each producer by the council by Aug. 15 of each year.

Proposed law retains present law but imposes the state assessment. Proposed law additionally requires that the state assessment be used to fund youth activities. Proposed law requires the commissioner transfer to the La. Beef Industry Council funds collected minus actual administrative costs not to exceed 2% of the gross.

Present law provides for mail notification by the council to producers of refund provisions and procedures by Aug. 15 of each year. Further provides that those persons collecting the assessments shall provide a list for refund purposes of producers who have made payment for cattle.

Proposed law retains present law but removes the responsibility for collecting persons to provide a list of producers eligible for refunds. Proposed law provides that refund provisions and procedures be published in the official state journal and posted on the LDAF website.

Present law provides that portions of present law shall take effect upon approval by a referendum vote of eligible cattle producers. Provides that the commissioner and council establish the voting date to be held at the county agent office in each parish. Further provides for the casting of ballots by registered producers and official counting of ballots by the council. Further provides for the program to be extended indefinitely in five-year increments upon referendum vote by cattle producers.

Proposed law repeals present law.

(Amends R.S. 3:2054, 2055(A)(2), (8), and (9), 2056(B), 2057, 2058(A), (B), and (C), and 2059; Adds R.S. 3:2058(K); Repeals R.S. 3:2062)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Agriculture, Forestry, Aquaculture, and Rural Development to the original bill:

1. Make a technical change.
2. Reorganize the members of the Louisiana Beef Industry Council to include nine members as follows: three members from the Louisiana Cattleman's association, three members from the Louisiana Farm Bureau Association, two members from the Louisiana Livestock Auction Markets Association, and one member from the Cattle Producers of Louisiana.