

LEGISLATIVE ACTION

Senate Comm: RCS 04/02/2015 House

The Committee on Fiscal Policy (Hays) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

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Section 1. Section 570.83, Florida Statutes, is amended to read:

570.83 <u>Cattle</u> Beef Market Development Act; definitions; Florida <u>Cattle Enhancement Board</u> Beef Council, Inc., creation, purposes, governing board, powers, and duties; referendum on assessments imposed on gross receipts from cattle sales; payments to organizations for services; collecting and refunding



12 assessments; vote on continuing the act; board council bylaws.-(1) SHORT TITLE **POPULAR NAME.**—This section act may be cited 13 14 as the "Cattle Beef Market Development Act."

(2) LEGISLATIVE INTENT.-The Legislature intends by this act to promote the growth of the cattle industry in this state; to assure the public an adequate and wholesome food supply; to provide for the general economic welfare of producers and consumers of beef and the state; and to provide the beef cattle production and feeding industry of this state with the authority 21 to establish a self-financed, self-governed program to help 22 develop, maintain, and expand the state, national, and foreign markets for beef and beef products that are produced, processed, or manufactured in this state.

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(3) DEFINITIONS.-As used in this section act, the term:

(a) "Beef" or "beef products" means the products of beef intended for human consumption which are derived from any bovine animal, regardless of age, including, but not limited to, veal.

(c) (b) "Cattle" means such animals as are so designated by federal law, including any marketing, promotion, and research orders as are in effect. Unless such federal law provides to the contrary, the term "cattle" includes all bovine animals, regardless of age, including, but not limited to, calves. A cow and nursing calf sold together are considered one unit.

(b) (c) "Board" or "Florida Cattle Enhancement Board" 35 36 "Council" means the Florida Cattle Enhancement Board Beef 37 Council, Inc.

(d) "Department" means the Department of Agriculture and 38 39 Consumer Services.

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(c) "Collection agent" means a person who sells, offers for

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41 sale, markets, distributes, trades, or processes cattle that 42 have been purchased or acquired from a producer or that are marketed on behalf of a producer. The term also includes 43 meatpacking firms and their agents that purchase or consign to 44 45 purchase cattle. 46 (e) (f) "Person" means any natural person, partnership, corporation, company, association, society, trust, or other 47 business unit or organization. 48 (f) (g) "Producer" means a person that has owned or sold 49 cattle in the previous calendar year or presently owns cattle. 50 51 (4) FLORIDA CATTLE ENHANCEMENT BOARD BEEF COUNCIL, INC.; 52 CREATION; PURPOSES.-53 (a) There is created the Florida Cattle Enhancement Board 54 Beef Council, Inc., a not-for-profit corporation organized under the laws of this state for the purpose of and operating as a 55 56 direct-support organization to of the department pursuant to 57 this section. 58 (b) The council is authorized to impose an assessment of 59 not more than \$1 on each head of cattle sold in the state if the 60 imposition of the assessment is approved by referendum pursuant 61 to subsection (6). The proceeds of the assessment shall be used 62 to fund the activities of the council. The council shall: 63 1. Establish the amount of the assessment at not more than \$1 per head of cattle. 64 65 2. Develop, implement, and monitor a collection system for the assessment. 66

67 3. Coordinate the collection of the assessment with other
68 states.

4. Establish refund procedures.

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70	5. Conduct referenda under subsections (6) and (12).
71	(c) The council shall:
72	1. Plan, implement, and conduct programs of promotion,
73	research, and consumer information or industry information which
74	are designed to strengthen the cattle industry's market position
75	in this state and in the nation and to maintain and expand
76	domestic and foreign markets and expand uses for beef and beef
77	products.
78	2. Use the proceeds of the assessment for the purpose of
79	funding cattle production and beef research, education,
80	promotion, and consumer and industry information in this state
81	and in the nation.
82	3. Plan and implement a cattle and beef industry feedback
83	program in this state.
84	4. Coordinate research, education, promotion, industry, and
85	consumer information programs with any national programs or
86	programs of other states.
87	5. Develop new uses and markets for beef and beef products.
88	6. Develop and improve methods of distributing beef and
89	beef products to the consumer.
90	7. Develop methods of improving the quality of beef and
91	beef products for the benefit of consumers.
92	8. Inform and educate the public concerning the nutritive
93	and economic values of beef and beef products.
94	9. Serve as a liaison within the beef and other food
95	industries of the state and elsewhere in matters that would
96	increase efficiencies that ultimately benefit both consumers and
97	industry.
98	10. Buy, sell, mortgage, rent, or improve, in any manner



99 that the council considers expedient, real property or personal 100 property, or both. 101 11. Publish and distribute such papers or periodicals as the board of directors considers necessary to encourage and 102 accomplish the purposes of the council. 103 104 12. Do all other acts necessary or expedient for the 105 administration of the affairs and attainment of the purposes of 106 the council. 107 13. Approve an annual plan, budget, and audit for the council. 108 (b) (d) 1. The board council may not participate in or 109 110 intervene in any political campaign on behalf of or in 111 opposition to any candidate for public office. This restriction 112 includes, but is not limited to, a prohibition against 113 publishing or distributing any statements. 114 (c) 2. No part of The net receipts of the board may not council shall inure to the benefit of or be distributable to its 115 directors, its officers, or other private persons, except that 116 117 the board council may pay reasonable compensation for services 118 rendered by staff employees and may make payments and 119 distributions in furtherance of the purposes of this section 120 act. 121 (d) 3. Notwithstanding any other provision of law, the board 122 council may not carry on any other activities prohibited for not

123 permitted to be carried on:

<u>1.a.</u> By A corporation exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended; or

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2.b. By A corporation to which contributions are deductible

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128	under s. 170(c)(2) of the Internal Revenue Code of 1986, as
129	amended.
130	<u>(e)</u> 4. Notwithstanding any other statement of the purposes
131	and responsibilities of the <u>board</u> council , the <u>board</u> council may
132	not engage in any activities or exercise any powers that are not
133	in furtherance of its specific and primary purposes.
134	(5) GOVERNING BOARD
135	(a) The Florida <u>Cattle Enhancement Board</u> Beef Council,
136	Inc., shall be governed by a board of directors composed of $\underline{14}$
137	13 members <u>as follows:</u>
138	1. Eight, including 8 representatives of the Florida
139	Cattlemen's Association, of whom one is a representative of the
140	Florida Association of Livestock Markets and one is a practicing
141	order buyer <u>.</u> +
142	2. One a representative of the Dairy Farmers, Inc.+
143	3. One a representative of the Florida CattleWomen, Inc.;
144	4. One a representative of the Florida Farm Bureau
145	Federation.+
146	5. One representative of an allied-industry.
147	6. One representative of the department. representative;
148	and
149	7. One <u>representative of the</u> an Institute of Food and
150	Agricultural Sciences representative.
151	(b) The initial board of directors shall be appointed by
152	the Commissioner of Agriculture for <u>staggered terms</u> a term of 1
153	year for three members, 2 years for three members, 3 years for
154	four members, and 4 years for four members. Each subsequent
155	vacancy shall <u>also</u> be filled <u>by the Commissioner of Agriculture</u>
156	with in accordance with the bylaws of the council. Thereafter,

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157 each board member of the board of directors shall be appointed 158 to serve a 3-year term and may be reappointed to serve an 159 additional consecutive term. A member may not serve more than 160 two consecutive terms. A member must be a resident of this state 161 and must be a producer who has been a producer for at least the 162 5 years immediately preceding the first day of his or her 163 service on the board, except that the representative of the Florida Farm Bureau Federation, the allied-industry 164 165 representative, the department representative, and the Institute 166 of Food and Agricultural Sciences representative need not be 167 producers. All members of the beef council board of directors 168 positions shall serve without compensation but be unsalaried ; 169 however, the board members are entitled to reimbursement as 170 provided in s. 112.061 for travel and other expenses incurred in 171 carrying out the intents and purposes of this section act.

(c) The <u>Florida Cattle Enhancement Board</u> council shall provide for its officers through its bylaws, including the ability to set forth offices and responsibilities and form committees necessary for the implementation of this <u>section</u> act. <u>The Commissioner of Agriculture may designate an ex officio</u> <u>nonvoting member of the board of directors.</u>

(d) If a member of the board <u>of directors</u> misses three consecutive, officially called meetings, the board of directors may declare that position vacant.

181 (6) REFERENDUM ON ASSESSMENTS. All producers in this state 182 shall have the opportunity to vote in a referendum to determine 183 whether the council shall be authorized to impose an assessment 184 of not more than \$1 per head on cattle sold in the state. The 185 referendum shall pose the question: "Do you approve of an

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186	assessment program, up to \$1 per head of cattle pursuant to
187	section 570.83, Florida Statutes, to be funded through specific
188	contributions that are mandatory and refundable upon request?"
189	(a) A referendum held under this section must be conducted
190	by secret ballot at extension offices of the Institute of Food
191	and Agricultural Sciences of the University of Florida or at
192	offices of the United States Department of Agriculture with the
193	cooperation of the department.
194	(b) Notice of a referendum to be held under this act must
195	be given at least once in trade publications, the public press,
196	and statewide newspapers at least 30 days before the referendum
197	is held.
198	(c) Additional referenda may be held to authorize the
199	council to increase the assessment to more than \$1 per head of
200	cattle. Such referendum shall pose the question: "Do you approve
201	of granting the Florida Beef Council, Inc., authority to
202	increase the per-head-of-cattle assessment pursuant to section
203	570.83, Florida Statutes, from (present rate) to up to a
204	maximum of (proposed rate) per head?" Referenda may not be
205	held more often than once every 3 years.
206	(d) Each cattle producer is entitled to only one vote in a
207	referendum held under this section. Proof of identification and
208	cattle ownership must be presented before voting.
209	(c) A simple majority of those casting ballots shall
210	determine any issue that requires a referendum under this
211	section.
212	(6)-(7) POWERS AND DUTIES OF THE BOARD COUNCIL
213	(a) The <u>board</u> council shall:
214	1. Serve as a liaison within the beef and other food

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215	industries of the state and elsewhere in matters that would
216	increase efficiencies that ultimately benefit consumers and the
217	industry.
218	2. Buy, sell, mortgage, rent, or improve, in any manner
219	that the board considers expedient, real property or personal
220	property, or both.
221	3. Publish and distribute papers or periodicals as the
222	board of directors considers necessary to encourage and
223	accomplish the purposes of the Florida Cattle Enhancement Board.
224	4.1. Receive and disburse funds, as prescribed elsewhere in
225	this act, to be used in administering and implementing this
226	section the act.
227	5. 2. Maintain a permanent record of its business
228	proceedings.
229	6.3. Maintain a permanent, detailed record of its financial
230	dealings.
231	7.4. Prepare periodic reports and an annual report of its
232	activities for the fiscal year, for review by the beef industry
233	in this state, and file its annual report with the department.
234	8.5. Prepare, for review by the beef industry in this
235	state, periodic reports and an annual accounting for each fiscal
236	year of all receipts and expenditures to be filed with the
237	$rac{ ext{department}_{ au}}{ au}$ and $rac{ ext{shall}}{ ext{shall}}$ retain a certified public accountant for
238	this purpose.
239	<u>9.6. Appoint a licensed banking institution to serve as the</u>
240	depository for program funds and to handle disbursements of
241	those funds.
242	7. Maintain frequent communication with officers and
243	industry representatives at the state and national levels,



244 including the department. 245 10.8. Maintain an office in this state. (b) The board council may: 246 247

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1. Conduct or contract for scientific research with any 248 accredited university, college, or similar institution, and 249 enter into other contracts or agreements that will aid in 250 carrying out the purposes of the program, including contracts 251 for the purchase or acquisition of facilities or equipment 2.52 necessary to carry out the purposes of the program.

253 2. Disseminate reliable information benefiting the consumer 254 and the cattle beef industry on subjects such as, but not 255 limited to, the purchase, identification, care, storage, 256 handling, cookery, preparation, serving, and nutritive value of 257 beef and beef products.

3. Provide to government bodies, on request, information relating to subjects of concern to the cattle beef industry, and may act jointly or in cooperation with the state or Federal Government, and agencies thereof, in the development or administration of programs that the board council considers to be consistent with the objectives of the program.

264 4. Sue and be sued as a board council without individual 265 liability of the members for acts of the council when acting within the scope of the powers of this act and in the manner prescribed by the laws of this state.

268 5. Borrow from licensed lending institutions money in 269 amounts that are not cumulatively greater than 50 percent of the 270 board's council's anticipated annual income.

271 6. Maintain a financial reserve for emergency use, the 272 total of which must not exceed 50 percent of the council's



273 anticipated annual income.

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7. Appoint advisory groups composed of representatives from organizations, institutions, governments, or businesses related to or interested in the welfare of the beef industry and the consuming public.

<u>6.8.</u> Employ <u>staff</u> subordinate officers and employees of the council, prescribe their duties, and fix their compensation and terms of employment.

<u>7.9.</u> Cooperate with any local, state, regional, or nationwide organization or agency engaged in work or activities consistent with the objectives of the program.

10. Cause any duly authorized agent or representative to enter upon the premises of any market agency, market agent, collection agency, or collection agent and examine or cause to be examined by the authorized agent only books, papers, and records that deal with the payment of the assessment provided for in this act or with the enforcement of this act.

8. Fund cattle production and beef research, education, promotion, and consumer and industry information in this state and in the nation.

9. Plan, implement, and conduct programs of promotion, research, and consumer and industry information which are designed to strengthen the market position of the cattle industry in this state and in the nation and to maintain and expand domestic and foreign markets and expand uses for beef and beef products.

299 <u>10. Plan and implement a cattle and beef industry feedback</u> 300 program in this state.

11. Coordinate research, education, promotion, industry,



302 and consumer information programs with any national programs or 303 programs of other states. 12.11. Do all other things necessary to further the intent 304 305 of this act which are not prohibited by law. 306 (7) (8) ACCEPTANCE OF GRANTS AND GIFTS. - The board council 307 may accept grants, donations, contributions, or gifts from any 308 source if the use of such resources is not restricted in any 309 manner that the board council considers to be inconsistent with 310 the objectives of the program. 311 (8) (9) PAYMENTS TO ORGANIZATIONS.-312 (a) The board council may pay funds to other organizations 313 for work or services performed which are consistent with the 314 objectives of the program. 315 (b) Before making payments pursuant to described in this 316 subsection, the board council must secure a written agreement 317 that the organization receiving payment will: 318 1. Furnish at least annually, or more frequently on request of the board council, written or printed reports of program 319 320 activities and reports of financial data that are relative to 321 the board's council's funding of such activities; and 322 2. Agree to have appropriate representatives attend 323 business meetings of the board council as reasonably requested 324 by the chairperson of the board council. 325 (c) The board council may require adequate proof of 326 security bonding on such said funds to any individual, business, 327 or other organization. 328 (10) COLLECTION OF MONEYS AT TIME OF MARKETING .-329 (a) Each collection agent may deduct from the gross receipts of the producer, at the time of sale, the assessment 330

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331 imposed by the council. 332 (b) The collection agent shall collect all such moneys and 333 forward them to the council periodically, at least once a month, 334 and the council shall provide appropriate business forms for the 335 convenience of the collecting agent in executing this duty. (c) The council shall maintain within its financial records 336 337 a separate accounting of all moneys received under this 338 subsection. 339 (d) The assessment is due and payable upon the sale of cattle in this state. The assessment constitutes a personal debt 340 341 of the producer who is so assessed or who otherwise owes the assessment. If a producer fails to remit any properly due 342 343 assessment, the council may bring a civil action against that 344 person in the circuit court of any county for the collection 345 thereof, and may add a penalty in the amount of 10 percent of the assessment owed, the cost of enforcing the collection of the 346 347 assessment, court costs, and reasonable attorney's fees. The 348 action shall be tried and judgment rendered as in any other 349 cause of action for debts due and payable. All assessments, 3.50 penalties, and enforcement costs are due and payable to the 351 council. 352 (e) The council may adopt reciprocal agreements with other 353 beef councils or similar organizations relating to moneys 354 collected at Florida collection agents on cattle from other 355 states and to Florida cattle sold at other state markets. 356 (f) The collection agents shall be entitled to deduct 2.5 percent of the amount collected to retain as a reasonable 357 358 collection allowance prior to remitting the funds to the 359 council.

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360	(11) REFUNDS
361	(a) A producer who has had moneys deducted from his or her
362	gross sales receipts under this act is entitled to a prompt and
363	full refund on request.
364	(b) The council shall make available to all collection
365	agents business forms permitting request for refund, which forms
366	are to be submitted by the objecting producer within 45 days
367	after the sale transaction takes place.
368	(c) A refund claim must include the claimant's signature,
369	date of sale, place of sale, number of cattle, and amount of
370	assessment deducted, and must have attached thereto proof of the
371	assessment deducted.
372	(d) If the council has reasonable doubt that a refund claim
373	is valid, it may withhold payment and take such action as it
374	considers necessary to determine the validity of the claim. Any
375	dispute arising under this subsection shall be determined as
376	specified in paragraph (10)(d).
377	(c) The council shall take action on refund requests within
378	30 calendar days following the date of receipt of the request.
379	(f) Only the producer may initiate a request for refund.
380	(12) VOTE ON CONTINUING THE ASSESSMENTUpon the delivery
381	by certified mail to the Florida Beef Council office of
382	petitions from at least 1,800 producers or 10 percent of
383	Florida's producers as determined by the department, whichever
384	is less, and stating "Shall the assessment authorized by the
385	Beef Market Development Act continue?" the council shall, within
386	90 days, conduct a referendum to determine whether a majority of
387	the producers voting in the referendum support the continuation
388	of the Beef Market Development Act. All signatures must be

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389	collected within a 12-month period. A referendum held under this
390	subsection may not be held more than one time in a 3-year
391	period. Qualifications for signature and vote are the same as
392	those required in subsection (6).
393	(9) (13) BYLAWSThe Florida Cattle Enhancement Board Beef
394	Council shall, within 90 days after the governing board is
395	appointed this act becomes a law, adopt bylaws to carry out the
396	intents and purposes of this <u>section</u> act. The These bylaws may
397	be amended with a 30-day notice to governing board members at
398	any regular or special meeting called for <u>such</u> this purpose. The
399	bylaws must conform to the requirements of this <u>section</u> act but
400	may also address any matter not in conflict with the general
401	laws of this state.
402	(10) (14) REPEAL.—This section is repealed October 1, 2020
403	2019, unless reviewed and saved from repeal by the Legislature.
404	Section 2. This act shall take effect July 1, 2015.
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406	=========== T I T L E A M E N D M E N T =================================
407	And the title is amended as follows:
408	Delete everything before the enacting clause
409	and insert:
410	A bill to be entitled
411	An act relating to the Cattle Market Development Act;
412	amending s. 570.83, F.S.; renaming the Beef Market
413	Development Act as the Cattle Market Development Act;
414	renaming the Florida Beef Council, Inc., as the
415	Florida Cattle Enhancement Board, Inc.; conforming
416	intent and definitions; removing a provision that
417	deems a cow and nursing calf sold together as one

COMMITTEE AMENDMENT

Florida Senate - 2015 Bill No. SB 1220



418 unit; removing provisions providing for a \$1 per head 419 assessment and referenda; providing for the 420 Commissioner of Agriculture to appoint a voting member 421 rather than an ex officio, nonvoting member to the 422 governing board of the Cattle Enhancement Board; 423 providing for staggered terms of governing board 424 members; providing for initial and subsequent 425 appointment of governing board members; removing 42.6 provisions requiring the board to maintain frequent 427 communication with officers and industry 428 representatives at the state and national levels; 429 revising the authority of the board; revising the date 430 of the scheduled repeal of the act; making technical 431 changes; providing an effective date.