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An act relating to the Cattle Market De

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An act relating to the Cattle Market Development Act; amending s. 570.83, F.S.; renaming the Beef Market Development Act as the Cattle Market Development Act; renaming the Florida Beef Council, Inc., as the Florida Cattle Enhancement Board, Inc.; conforming intent and definitions; removing a provision that deems a cow and nursing calf sold together as one unit; authorizing the Cattle Enhancement Board to impose additional assessments; limiting referenda on per-head-of-cattle assessments to once every 3 years; providing for the Commissioner of Agriculture to appoint a voting member rather than an ex officio, nonvoting member to the governing board of the Cattle Enhancement Board; providing for staggered terms of governing board members; providing for initial and subsequent appointment of governing board members; authorizing the commissioner to initiate a referendum on assessments with certain notice; directing the commissioner to designate a specified number of days for a referendum to take place; removing provisions requiring the board to maintain frequent communication with officers and industry representatives at the state and national levels; removing provisions authorizing the board to sue and be sued without individual liability of the members, to maintain a

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financial reserve for emergency use, to appoint advisory groups, to accept grants, donations, contributions, or gifts from any source, and to pay other organizations for work or services; specifying a date by which collection agents must collect and forward assessments to the board; removing provisions entitling collection agents to deduct a fee from the amount of assessments collected; removing the scheduled repeal of the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

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

570.83 <u>Cattle Beef Market Development Act; definitions;</u>
Florida <u>Cattle Enhancement Board Beef Council</u>, 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 assessments; vote on continuing the act; <u>board council</u> bylaws.—

(1) <u>SHORT TITLE</u> <del>POPULAR NAME.</del>—This <u>section</u> <del>act</del> may be cited as the "<u>Cattle</u> <del>Beef</del> 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

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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 to establish a self-financed, self-governed program to help develop, maintain, and expand the state, national, and foreign markets for beef and beef products that are produced, processed, or manufactured in this state.

- (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.
- (b) (c) "Board" or "Florida Cattle Enhancement Board"
  "Council" means the Florida Cattle Enhancement Board Beef
  Council, Inc.
- (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.
- (d) (e) "Collection agent" means a person who sells, offers for sale, markets, distributes, trades, or processes cattle that have been purchased or acquired from a producer or that are marketed on behalf of a producer. The term also includes meatpacking firms and their agents that purchase or consign to purchase cattle.

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 $\underline{\text{(e)}}$  "Department" means the Department of Agriculture and Consumer Services.

- (f) "Person" means any natural person, partnership, corporation, company, association, society, trust, or other business unit or organization.
- (g) "Producer" means a person that has owned or sold cattle in the previous calendar year or presently owns cattle.
- (4) FLORIDA <u>CATTLE ENHANCEMENT BOARD</u> <u>BEEF COUNCIL</u>, INC.; CREATION; PURPOSES.—
- (a) There is created the Florida <u>Cattle Enhancement Board</u>

  <del>Beef Council</del>, Inc., a not-for-profit corporation organized under the laws of this state <u>for the purpose of and operating as a direct-support organization to of</u> the department <u>pursuant to this section</u>.
- (b) The <u>board may</u> council is authorized to impose an <u>initial</u> assessment, in addition to any other assessment provided <u>by law</u>, of not more than \$1 on each head of cattle sold in the state if the imposition of the assessment is approved by referendum pursuant to subsection (6). The proceeds of the assessment shall be used to fund the activities of the <u>board</u> council. The council shall:
- 1. Establish the amount of the assessment at not more than \$1 per head of cattle.
- 2. Develop, implement, and monitor a collection system for the assessment.
  - 3. Coordinate the collection of the assessment with other

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105	<del>states.</del>
106	4. Establish refund procedures.
107	5. Conduct referenda under subsections (6) and (12).
108	(c) The council shall:
109	1. Plan, implement, and conduct programs of promotion,
110	research, and consumer information or industry information which
111	are designed to strengthen the cattle industry's market position
112	in this state and in the nation and to maintain and expand
113	domestic and foreign markets and expand uses for beef and beef
114	<del>products.</del>
115	2. Use the proceeds of the assessment for the purpose of
116	funding cattle production and beef research, education,
117	promotion, and consumer and industry information in this state
118	and in the nation.
119	3. Plan and implement a cattle and beef industry feedback
120	<del>program in this state.</del>
121	4. Coordinate research, education, promotion, industry,
122	and consumer information programs with any national programs or
123	programs of other states.
124	5. Develop new uses and markets for beef and beef
125	<del>products.</del>
126	6. Develop and improve methods of distributing beef and
127	beef products to the consumer.
128	7. Develop methods of improving the quality of beef and
129	beef products for the benefit of consumers.
130	8. Inform and educate the public concerning the nutritive

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CODING: Words  $\frac{\text{stricken}}{\text{stricken}}$  are deletions; words  $\frac{\text{underlined}}{\text{ore additions}}$  are additions.

and economic values of beef and beef products.

- 9. Serve as a liaison within the beef and other food industries of the state and elsewhere in matters that would increase efficiencies that ultimately benefit both consumers and industry.
- 10. Buy, sell, mortgage, rent, or improve, in any manner that the council considers expedient, real property or personal property, or both.
- 11. Publish and distribute such papers or periodicals as the board of directors considers necessary to encourage and accomplish the purposes of the council.
- 12. Do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the council.
- 13. Approve an annual plan, budget, and audit for the council.
- $\underline{\text{(c)}}$  (d)1. The <u>board council</u> may not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. This restriction includes, but is not limited to, a prohibition against publishing or distributing any statements.
- (d) 2. No part of The net receipts of the board may not council shall inure to the benefit of or be distributable to its directors, its officers, or other private persons, except that the board council may pay reasonable compensation for services rendered by staff employees and may make payments and

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distributions in furtherance of the purposes of this section act.

- (e) 3. Notwithstanding any other provision of law, the board council may not carry on any other activities prohibited for not permitted to be carried on:
- 1.a. By A corporation exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended; or
- $\underline{\text{2.b.}}$  By A corporation to which contributions are deductible under s. 170(c)(2) of the Internal Revenue Code of 1986, as amended.
- $\underline{\text{(f)}}4.$  Notwithstanding any other statement of the purposes and responsibilities of the <u>board council</u>, the <u>board council</u> may not engage in any activities or exercise any powers that are not in furtherance of its <u>specific and primary</u> purposes.
  - (5) GOVERNING BOARD.-

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- (a) The Florida <u>Cattle Enhancement Board</u> Beef Council, Inc., shall be governed by a board of directors composed of  $\underline{14}$  members as follows:
- 1. Eight, including 8 representatives of the Florida
  Cattlemen's Association, of whom one is a representative of the
  Florida Association of Livestock Markets and one is a practicing
  order buyer.;
  - $\underline{\text{2.}}$  One  $\underline{\text{a}}$  representative of the Dairy Farmers, Inc.+
  - 3. One a representative of the Florida CattleWomen, Inc.+
  - 4. One a representative of the Florida Farm Bureau

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- 5. One representative of an allied-industry.
- 6. One representative of the department appointed by the Commissioner of Agriculture. representative; and
- 7. One representative of the an Institute of Food and Agricultural Sciences representative.
- The initial board of directors shall be appointed by the Commissioner of Agriculture for staggered terms a term of 1 year for three members, 2 years for three members, 3 years for four members, and 4 years for four members. Each subsequent vacancy shall be filled in accordance with the bylaws of the Florida Cattle Enhancement Board council. Thereafter, each board member of the board of directors shall be appointed by the Florida Cattle Enhancement Board to serve a 3-year term and may be reappointed to serve an additional consecutive term. A member may not serve more than two consecutive terms. A member must be a resident of this state and must be a producer who has been a producer for at least the 5 years immediately preceding the first day of his or her service on the board, except that the representative of the Florida Farm Bureau Federation, the allied-industry representative, the department representative, and the Institute of Food and Agricultural Sciences representative need not be producers. All members of the beef council board of directors positions shall serve without compensation but be unsalaried; however, the board members are entitled to reimbursement as provided in s. 112.061 for travel

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and other expenses incurred in carrying out the intents and purposes of this section act.

- (c) The Florida Cattle Enhancement Board 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 section act.

  The Commissioner of Agriculture may designate an ex officio nonvoting member of the board of directors.
- (d) If a member of the board  $\underline{\text{of directors}}$  misses three consecutive, officially called meetings, the board of directors may declare that position vacant.
  - (6) REFERENDUM ON ASSESSMENTS.-

- (a) All producers in this state shall have the opportunity to vote in a referendum to determine whether the Florida Cattle Enhancement Board may council shall be authorized to impose an assessment of not more than \$1 per head on cattle sold in the state. The referendum shall pose the question: "Do you approve of a Florida an assessment program, up to \$1 per head of cattle pursuant to section 570.83, Florida Statutes, to be funded through specific contributions that are mandatory and refundable upon request?" The initial referendum under this paragraph shall take place within 180 days after July 1, 2015. Such referendum may not be held more often than once every 3 years.
- (b) Additional referenda may be held to authorize the board to increase the assessment to more than \$1 per head of cattle if the board receives petitions from at least 1,800

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producers or 10 percent of Florida's producers as determined by the department, whichever is less, requesting an increase in the assessment or if the board, by a two-thirds vote of its voting members, approves a motion to increase the assessment. All petition signatures must be collected within a consecutive 12-month period. The referendum shall pose the question: "Do you approve of granting the Florida Cattle Enhancement Board, Inc., authority to increase the per-head-of-cattle assessment pursuant to section 570.83, Florida Statutes, from ...(present rate)... to up to a maximum of ...(proposed rate)... per head?" Such referendum may not be held more often than once every 3 years.

(c) If the board receives petitions from at least 1,800 producers or 10 percent of Florida's producers as determined by

- producers or 10 percent of Florida's producers as determined by the department, whichever is less, asking, "Shall the assessment authorized by the Cattle Market Development Act continue?" the board shall, within 90 days, conduct a referendum to determine whether a majority of the producers voting in the referendum support the continuation of the Cattle Market Development Act. All petition signatures must be collected within a consecutive 12-month period. Such referendum may not be held more often than once every 3 years.
- (d) The Commissioner of Agriculture may initiate a referendum with a 90-day notice, but not more often that once every 3 years.
- (e) (a) A referendum held under this <u>subsection</u> section must be conducted by secret ballot at extension offices of the

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Institute of Food and Agricultural Sciences of the University of Florida or at offices of the United States Department of Agriculture with the cooperation of the department to ensure fairness in the referendum process.

- (f) The Commissioner of Agriculture shall designate at least 5 but not more than 10 consecutive business days for a referendum to take place.
- (g) (b) Notice of a referendum to be held under this act must be given at least once in trade publications, the public press, and statewide newspapers at least 30 days before the referendum is held.
- (c) Additional referenda may be held to authorize the council to increase the assessment to more than \$1 per head of cattle. Such referendum shall pose the question: "Do you approve of granting the Florida Beef Council, Inc., authority to increase the per-head-of-cattle assessment pursuant to section 570.83, Florida Statutes, from ... (present rate)... to up to a maximum of ... (proposed rate)... per head?" Referenda may not be held more often than once every 3 years.
- (h)(d) Each cattle producer is entitled to only one vote in a referendum held under this <u>subsection</u> section. Proof of identification and cattle ownership must be presented before voting.
- $\underline{\text{(i)}}$  (e) A simple majority of those casting ballots shall determine any issue that requires a referendum under this subsection section.

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287	(7)	POWERS	AND	DUTIES	OF	THE	BOARD	COUNCIL.	_

(a) The board council shall:

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- 1. Establish the amount of the assessment at not more than \$1 per head of cattle.
  - 2. Develop, implement, and monitor a collection system for the assessment.
  - $\underline{\mbox{3. Coordinate the collection of the assessment with other}}$  states.
    - 4. Establish refund procedures.
    - 5. Conduct referenda under subsection (6).
  - 6. Plan, implement, and conduct programs of promotion, research, and consumer information or 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.
  - 7. Use the proceeds of the assessment for the purpose of funding cattle production and beef research, education, promotion, and consumer and industry information in this state and in the nation.
  - 8. Plan and implement a cattle and beef industry feedback program in this state.
  - 9. Coordinate research, education, promotion, industry, and consumer information programs with any national programs or programs of other states.
    - 10. Serve as a liaison within the beef and other food

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industries of the state and elsewhere in matters that would increase efficiencies that ultimately benefit consumers and industry.

- 11. Buy, sell, mortgage, rent, or improve, in any manner that the council considers expedient, real property or personal property, or both.
- 12. Publish and distribute such papers or periodicals as the board of directors considers necessary to encourage and accomplish the purposes of the Florida Cattle Enhancement Board.
- 13.1. Receive and disburse funds, <u>pursuant to as prescribed elsewhere in this section act</u>, to be used in administering and implementing this section the act.
- 2. Maintain a permanent record of its business proceedings.
- 3. Maintain a permanent, detailed record of its financial dealings.
- 4. Prepare periodic reports and an annual report of its activities for the fiscal year, for review by the beef industry in this state, and file its annual report with the department.
- 14.5. Prepare, for review by the beef industry in this state, periodic reports and an annual accounting for each fiscal year of all receipts and expenditures to be filed with the department, and shall retain a certified public accountant for this purpose.
- $\underline{15.6.}$  Appoint a licensed banking institution to serve as the depository for program funds and to handle disbursements of

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339 those funds.

- 7. Maintain frequent communication with officers and industry representatives at the state and national levels, including the department.
  - 16.8. Maintain an office in this state.
- $\underline{\mbox{17.}}$  Do all other acts necessary permitted by law to further the intent of this section.
  - (b) The board council may:
- 1. Conduct or contract for scientific research with any accredited university, college, or similar institution, and enter into other contracts or agreements that will aid in carrying out the purposes of the program, including contracts for the purchase or acquisition of facilities or equipment necessary to carry out the purposes of the program.
- 2. Disseminate reliable information benefiting the consumer and the beef industry on subjects such as, but not limited to, the purchase, identification, care, storage, handling, cookery, preparation, serving, and nutritive value of beef and beef products.
- 3. Provide to government bodies, on request, information relating to subjects of concern to the 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 <u>board council</u> considers to be consistent with the objectives of the program.
  - 4. Sue and be sued as a council without individual

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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.

- $\underline{4.5.}$  Borrow from licensed lending institutions money in amounts that are not cumulatively greater than 50 percent of the board's council's anticipated annual income.
- 6. Maintain a financial reserve for emergency use, the total of which must not exceed 50 percent of the council's anticipated annual income.
- 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.
- $\underline{5.8.}$  Employ  $\underline{\text{staff}}$  subordinate officers and employees of the council, prescribe their duties, and fix their compensation and terms of employment.
- $\underline{6.9.}$  Cooperate with any local, state, regional, or nationwide organization or agency engaged in work or activities consistent with the objectives of the program.
- 7.10. 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, only by the authorized agent, only books, papers, and records that deal with the payment of the assessment provided for in this section act or with the enforcement of this section act.

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391 11. Do all other things necessary to further the intent of 392 this act which are not prohibited by law. (8) ACCEPTANCE OF GRANTS AND GIFTS.—The council may accept 393 394 grants, donations, contributions, or gifts from any source if 395 the use of such resources is not restricted in any manner that 396 the council considers to be inconsistent with the objectives of 397 the program. 398 (9) PAYMENTS TO ORGANIZATIONS.-(a) The council may pay funds to other organizations for 399 400 work or services performed which are consistent with the 401 objectives of the program. 402 (b) Before making payments described in this subsection, 403 the council must secure a written agreement that the 404 organization receiving payment will: 405 1. Furnish at least annually, or more frequently on request of the council, written or printed reports of program 406 407 activities and reports of financial data that are relative to 408 the council's funding of such activities; and 409 2. Agree to have appropriate representatives attend business meetings of the council as reasonably requested by the 410 411 chairperson of the council. 412 (c) The council may require adequate proof of security 413 bonding on said funds to any individual, business, or other 414 organization. 415 (8) (10) COLLECTION OF MONEYS AT TIME OF MARKETING. 416 Each collection agent shall may deduct from the gross

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receipts of the producer, at the time of sale, the assessment imposed by the board <del>council</del>.

- (b) The collection agent shall collect all such moneys and forward them to the <u>board by the 15th of each council</u>

  periodically, at least once a month., and The <u>board council</u>

  shall provide appropriate business forms for the convenience of the collecting agent in executing this duty.
- (c) The  $\underline{\text{board}}$  council shall maintain within its financial records a separate accounting of all moneys received under this  $\underline{\text{section}}$  subsection.
- (d) The assessment is due and payable upon the sale of cattle in this state. The assessment constitutes a personal debt of the producer who is so assessed or who otherwise owes the assessment. If a producer fails to remit any properly due assessment, the board council may bring a civil action against that person in the circuit court of any county for the collection thereof, and may add a penalty in the amount of 10 percent of the assessment owed, the cost of enforcing the collection of the assessment, court costs, and reasonable attorney attorney's fees. The action shall be tried and judgment rendered as in any other cause of action for debts due and payable. All assessments, penalties, and enforcement costs are due and payable to the board council.
- (e) The <u>board</u> <u>council</u> may adopt reciprocal agreements with other beef councils or similar organizations relating to moneys collected by <u>at</u> Florida collection agents on cattle from other

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states and to Florida cattle sold at other state markets.

- (f) The collection agents shall be entitled to deduct 2.5 percent of the amount collected to retain as a reasonable collection allowance prior to remitting the funds to the council.
  - $(9) \frac{(11)}{(11)}$  REFUNDS.—

- (a) A producer who has had moneys deducted from his or her gross sales receipts under this  $\underline{\text{section}}$   $\underline{\text{act}}$  is entitled to a prompt and full refund on request.
- (b) The <u>board council</u> shall make available to all collection agents business forms <u>for requesting refunds</u>

  permitting request for refund, which forms are to be submitted by the objecting producer within 45 days after the sale transaction takes place.
- (c) A refund claim must include the claimant's signature, date of sale, place of sale, number of cattle, and amount of assessment deducted, and must have attached thereto proof of the assessment deducted.
- (d) If the <u>board</u> council has reasonable doubt that a refund claim is valid, it may withhold payment and take such action as it considers necessary to determine the validity of the claim. Any dispute arising under this subsection shall be determined as specified in paragraph (8) (d) (10) (d).
- (e) The <u>board council</u> shall take action on refund requests within 30 calendar days following the date of receipt of the request.

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HB 917 

(1) Only the producer may initiate a request for retund.
(12) VOTE ON CONTINUING THE ASSESSMENT. Upon the delivery
by certified mail to the Florida Beef Council office of
petitions from at least 1,800 producers or 10 percent of
Florida's producers as determined by the department, whichever
is less, and stating "Shall the assessment authorized by the
Beef Market Development Act continue?" the council shall, within
90 days, conduct a referendum to determine whether a majority of
the producers voting in the referendum support the continuation
of the Beef Market Development Act. All signatures must be
collected within a 12-month period. A referendum held under this
subsection may not be held more than one time in a 3-year
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period. Qualifications for signature and vote are the same as
period. Qualifications for signature and vote are the same as
period. Qualifications for signature and vote are the same as those required in subsection (6).
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period. Qualifications for signature and vote are the same as those required in subsection (6).  (10)(13) BYLAWS.—The Florida Cattle Enhancement Board Beef Council shall, within 90 days after the governing board is appointed this act becomes a law, adopt bylaws to carry out the intents and purposes of this section act. The These bylaws may
period. Qualifications for signature and vote are the same as those required in subsection (6).  (10)(13) BYLAWS.—The Florida Cattle Enhancement Board Beef Council shall, within 90 days after the governing board is appointed this act becomes a law, adopt bylaws to carry out the intents and purposes of this section act. The These bylaws may be amended with a 30-day notice to governing board members at
period. Qualifications for signature and vote are the same as those required in subsection (6).  (10)(13) BYLAWS.—The Florida Cattle Enhancement Board Beef Council shall, within 90 days after the governing board is appointed this act becomes a law, adopt bylaws to carry out the intents and purposes of this section act. The These bylaws may be amended with a 30-day notice to governing board members at any regular or special meeting called for such this purpose. The
period. Qualifications for signature and vote are the same as those required in subsection (6).  (10)(13) BYLAWS.—The Florida Cattle Enhancement Board Beef Council shall, within 90 days after the governing board is appointed this act becomes a law, adopt bylaws to carry out the intents and purposes of this section act. The These bylaws may be amended with a 30-day notice to governing board members at any regular or special meeting called for such this purpose. The bylaws must conform to the requirements of this section act but

unless reviewed and saved from repeal by the Legislature. Section 2. This act shall take effect July 1, 2015.

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