FIRST ENGROSSMENT

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1025

Introduced by

Legislative Council

(Agriculture Committee)

A BILL for an Act to create and enact title 4.1 of the North Dakota Century Code, relating to agriculture; to amend and reenact sections 4-13.2-03, 36-04-10, 36-04-10.1, and 36-05-13.2 and subsection 1 of section 54-07-01.2 of the North Dakota Century Code, relating to agricultural commodity boards and commissions; to repeal chapters 4-10.1, 4-10.2, 4-10.3, 4-10.4, 4-10.5, 4-10.6, 4-10.7, 4-12.1, 4-13.1, 4-27, 4-28, and 4-34 of the North Dakota Century Code, relating to the North Dakota potato council and assessment, the North Dakota oilseed council and assessment, the North Dakota dry bean council and assessment, the North Dakota barley council and assessment, the North Dakota soybean council and assessment, the North Dakota corn utilization council and assessment, the North Dakota dry pea and lentil council and assessment, the North Dakota honey assessment, the North Dakota turkey assessment, the North Dakota dairy promotion commission and assessment, the North Dakota wheat commission and assessment, and the North Dakota beef commission and assessment; to provide a penalty; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 4-13.2-03 of the North Dakota Century Code is amended and reenacted as follows:

4-13.2-03. Purposes - Duties. The agriculture commissioner may adopt rules pursuant to chapter 28-32 to effectuate the purposes of this chapter, and the agriculture commissioner, or the commissioner's designee, shall enforce this chapter. The agriculture commissioner shall:

1. Work toward improving poultry breeding and cooperate with the board of animal health in controlling and eradicating communicable diseases of poultry.
2. Act as the official state agency for North Dakota in cooperation with the bureau of animal industry, United States department of agriculture, for the purpose of

furthering the objectives and supervising the state's participation in the national poultry improvement plan.

3. Act as the state agency to cooperate with the United States department of agriculture, to provide federal-state grading service for poultry and poultry products offered for sale at the retail level, to supervise the federal-state poultry grading service, and to enforce regulations at the retail level as to identification by grade of all poultry sold.

4. Promote generally the welfare and improvement of the poultry industry and the marketing of poultry and poultry products within the state through such means and in such manner as may be deemed by the commissioner conducive to such improvement.

5. Enforce the licensing and bonding requirements provided by this chapter.

6. Administer chapter ~~4-13.1~~ 4.1-12, at the advice of the North Dakota turkey federation.

SECTION 2. Chapter 4.1-02 of the North Dakota Century Code is created and enacted as follows:

4.1-02-01. Definitions. As used in this chapter:

1. "Barley" means all varieties of barley harvested in the state.

2. "Commissioner" means the agriculture commissioner or the commissioner's designee.

3. "Council" means the North Dakota barley council.

4. "First purchaser" means any person accepting for shipment or otherwise acquiring barley from a producer. The term includes a mortgagee, pledgee, lienor, or other person having a claim against the producer, if the actual or constructive possession of the barley is taken as partial payment or in satisfaction of the mortgage, pledge, lien, or claim.

5. "Participating producer" means a producer that has not applied for a refund under section 4.1-02-16 during the preceding twelve months.

6. "Producer" means any person that:

a. Plants or causes to be planted a barley crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;

b. Will have met the requirements of subdivision a during the next available growing season; or

c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-02-02. Barley council - Districts. The state consists of the following five barley districts:

1. Benson, Cavalier, Pembina, Ramsey, Towner, and Walsh Counties.
2. Eddy, Foster, Grand Forks, Griggs, McLean, Nelson, Sheridan, Steele, Traill, and Wells Counties.
3. Barnes, Burleigh, Cass, Dickey, Emmons, Kidder, LaMoure, Logan, McIntosh, Ransom, Richland, Sargent, and Stutsman Counties.
4. Bottineau, McHenry, Pierce, Renville, and Rolette Counties.
5. Adams, Billings, Bowman, Burke, Divide, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Morton, Mountrail, Oliver, Sioux, Slope, Stark, Ward, and Williams Counties.

4.1-02-03. Council - Membership - Election - Term.

1. The council consists of one individual elected from each district established in section 4.1-02-02 and the commissioner, who is a nonvoting member.
2. Each member of the council, other than the commissioner, must be a resident of and a participating producer in the district that the member represents.
3. The term of each elected member is four years and begins on April first. The terms must be staggered so that no more than two terms expire each year.
4. If at any time during a member's term the member ceases to possess any of the qualifications provided for in this section, the member's office is deemed vacant and the council, by majority vote, shall appoint another qualified producer for the remainder of the term.
5. An elected member of the council may not serve more than three consecutive terms. If an individual is appointed to complete a vacancy, that service is not

counted as a term, for purposes of this section, unless the duration of that service exceeds one year.

4.1-02-04. Election of county representative.

1. a. No later than March first of the year in which the term of a council member is to expire, the extension agent for each county in that member's district shall hold a meeting of barley producers for the purpose of electing a county representative.

   b. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.

   c. The meeting must be held within the county.

   d. During the meeting, the county extension agent shall conduct the election.

   e. Any participating producer who resides in the county may vote in the election.

   f. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the council that the election has taken place, and provide to the director and the council the name and address of the newly elected county representative.

2. Subsection 1 does not apply if the extension agent for a county, in consultation with the executive director of the county farm service agency office, determines and notifies the council that no barley producers willing to serve as county representatives reside within the county.

4.1-02-05. Election of district representative - Council member.

1. Upon receiving the notice required by subdivision f of subsection 1 of section 4.1-02-04, the director of the North Dakota state university extension service shall call a meeting of all county representatives in the district represented by the member whose term is to expire.

2. The director shall notify each county representative in the district of the meeting, by registered mail, at least five days before the meeting.

3. The meeting must be held within the district.

4. At the meeting, the county representatives shall elect one from among themselves to serve as the council member from that district.

5. The director shall notify the governor and the council that the election has taken place and shall provide to the governor and the council the name and address of the newly elected council member.

4.1-02-06. Election costs - Responsibility. All costs of holding county and district elections are the responsibility of the council.

4.1-02-07. Quorum. A majority of the council's voting members constitutes a quorum for the transaction of business.

4.1-02-08. Election of chairman - Meetings.

1. Annually, the council shall elect one member to serve as the chairman.
2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-02-09. Council members - Compensation. Each member of the council, except the commissioner, is entitled to receive compensation in the amount established by the council, but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-02-10. Council - Powers.

1. The council may:
   a. Expend moneys collected pursuant to this chapter for its administration;
   b. Employ, bond, and compensate necessary personnel;
   c. Accept gifts, grants, and donations of money, property, and services, to carry out this chapter;
   d. Contract with any person for any purpose permitted under this chapter;
   e. Sue and be sued; and
   f. Do all things necessary and proper to enforce and administer this chapter.
2. The council may not engage in a commercial business enterprise.

4.1-02-11. Council - Duties.

1. The council shall determine the uses to which any moneys raised under this chapter may be expended. The uses may include:

a. The funding of research, education programs, and market development efforts; and

b. The support of state, regional, national, and international entities that promote barley utilization.

2. The council shall develop and disseminate information regarding the purpose of the barley assessment and ways in which the assessment benefits barley producers.

4.1-02-12. Assessment. An assessment at the rate of ten mills per bushel [35.24 liters] is imposed upon all barley grown in this state, delivered to this state, or sold to a first purchaser in this state. The assessment does not apply to barley grown by a producer and used by the producer as livestock feed.

4.1-02-13. Collection of assessment - Records.

1. The first purchaser shall collect the assessment from the seller by deducting the assessment from the total price of the barley being purchased by the first purchaser.

2. The first purchaser shall keep documents regarding all purchases, sales, and shipments of barley for a period of three years. The first purchaser shall make these records available to the council for examination at all reasonable times.

3. No later than thirty days after the conclusion of each calendar quarter, each first purchaser shall file with the council a report stating the quantity of all barley received, sold, or shipped by the first purchaser.

4.1-02-14. Submission of assessments - Civil penalty.

1. The first purchaser shall forward to the council all assessments collected by the first purchaser within thirty days after the conclusion of each calendar quarter.

2. If a first purchaser fails to submit the assessments as required by this section, the council may impose a penalty equal to ten percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-02-15. Out-of-state sale - Submission of assessment by producer - Civil penalty.

1. If a producer sells barley to a first purchaser located outside this state and if the first purchaser has not contracted with the barley council to collect and remit

assessments in accordance with this chapter, the producer shall determine the assessment due and shall submit that amount to the council within thirty days after the conclusion of the calendar quarter. The producer shall keep a record of the transaction for a period of three years and shall make the record available to the council for examination upon request.

2. If a producer fails to submit an assessment as required by this section, the council may impose a penalty equal to ten percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-02-16. Refund of assessment.

1. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the council a written request for a refund application within sixty days after the date of the assessment or final settlement.

2. The producer shall complete the refund application and return the application to the council, together with a record of the assessment collected, within ninety days after the date of the assessment or final settlement. The council shall then refund the net amount of the assessment that had been collected.

3. If a request for a refund is not submitted to the council within the prescribed time period, the producer is presumed to have agreed to the assessment.

4. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-02-17. Reimbursement for double payments. Notwithstanding section 4.1-02-16, if a producer documents to the council that the producer has paid the assessment more than once on the same barley, the council shall reimburse the producer for the double payment.

4.1-02-18. Expenditure of funds. The council shall approve all expenditures made pursuant to this chapter and shall submit an itemized voucher to the office of management and budget for payment.

4.1-02-19. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the barley fund. All moneys in the barley fund are appropriated on a continuing basis to the council to carry out this chapter.

4.1-02-20. Advisory referendum.

1. a. When petitioned to do so by at least fifteen percent of the participating producers, the council shall conduct a referendum among the participating producers of the state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.

   b. To be considered a valid petition, no more than fifty percent of the participating producers who signed the petition may reside in one district.

2. The council shall prepare the ballots and mail the ballots to each participating producer at least thirty days before the last date for filing ballots.

3. Each ballot must include a statement indicating:

   a. The date on which the petition was filed and the number of signatures on the petition;

   b. The date, time, and location at which the council will open and tabulate the ballots;

   c. The last date by which the ballots must be postmarked or filed with the council; and

   d. That any participating producer may be present at the time the ballots are opened and tabulated.

4. The date selected by the council for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.

5. If a majority of the participating producers voting upon the question are in favor of the proposed change, the council shall submit a bill to the next legislative assembly to amend this chapter.

4.1-02-21. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 3. Chapter 4.1-03 of the North Dakota Century Code is created and enacted as follows:

4.1-03-01. Definitions. As used in this chapter:

1. "Beef producer" means any person that has an ownership interest in cattle.

2. "Cattle" means live domesticated bovine animals.

3. "Cattle feeder" means a person in the business of feeding cattle for the purpose of adding weight to the cattle prior to slaughter.
4. "Commission" means the North Dakota beef commission.
5. "Dairy producer" means any person in the business of producing and selling milk from cows.
6. "Livestock auction market" means a public market or private buying station in which livestock is offered for sale or sold.
7. "Livestock dealer" means a person that purchases cattle and is required to be licensed under chapter 36-04.
8. "Participating producer" means a producer that has not obtained a refund of any assessment paid on the sale of cattle under this chapter for the preceding three years.

4.1-03-02. North Dakota beef commission - Membership - Qualifications.

1. The North Dakota beef commission consists of:
   a. Three beef producers;
   b. One cattle feeder;
   c. One dairy producer;
   d. One representative of a public livestock market; and
   e. Three at-large representatives.
2. The governor shall appoint:
   a. Each beef producer from a list of at least two names submitted by the North Dakota stockmen's association;
   b. The cattle feeder from a list of at least two names submitted by the North Dakota stockmen's association feeder council;
   c. The dairy producer from a list of at least two names submitted by the milk producers association of North Dakota;
   d. The representative of a public livestock market from a list of at least two names submitted by the North Dakota livestock marketing association; and
   e. The three at-large representatives.
3. a. Each member of the commission must:
      (1) Be a United States citizen and a resident of this state;

(2) Be actively engaged in that phase of the cattle industry the member represents; and

(3) Have been actively engaged in that phase of the cattle industry for a period of five years.

b. Each member of the commission, except the representative of a public livestock market, must be a participating producer.

c. For purposes of this subsection, "actively engaged" means that the individual:

(1) Has an ownership interest in an operation that is of sufficient scope and significance as to constitute a distinct activity; and

(2) Has and regularly exercises direct control of the operation.

4.1-03-03. Term of office.

1. The term of office for each member is three years and begins on July first. The terms must be staggered so that no more than three terms expire each year.

2. A member of the commission may not serve more than two consecutive terms. If an individual is appointed after August 1, 2009, to complete a vacancy, that service is not counted as a term, for purposes of this section, unless the duration of that service exceeds one year.

4.1-03-04. Vacancy. If a member's office is vacant, the position must be filled, for the remainder of the term, in the same manner as the original appointment. A member's office is vacant if:

1. At any time during a member's term the member ceases to possess any of the qualifications provided for in this chapter;

2. Any event enumerated in section 44-02-01 occurs; or

3. The commission determines that a member has failed to attend three consecutive meetings of the commission without justification.

4.1-03-05. Nonvoting members - Appointment. The commission may appoint up to four nonvoting members. The term of office for a member appointed under this section is one year. The number of terms that may be served by a member under this section is not limited. The commission shall adopt policies governing the appointments and qualifications of nonvoting members.

4.1-03-06. Quorum. A majority of the commission's voting members constitutes a quorum for the transaction of business.

4.1-03-07. Chairman - Meetings.

1. Annually, the commission shall elect one member to serve as the chairman.
2. The chairman shall call all meetings of the commission and shall call a special meeting within seven days when petitioned to do so by three voting members of the commission.
3. The commission shall hold at least three regular meetings each year.

4.1-03-08. Commission members - Compensation. Each member of the commission is entitled to receive compensation in the amount established by the commission, but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties as directed by the commission.

4.1-03-09. Commission - Powers. The commission may:

1. Expend moneys collected pursuant to this chapter for its administration;
2. Employ, bond, and compensate necessary personnel;
3. Accept gifts, grants, and donations of money, property, and services to carry out this chapter;
4. Contract with any person for any purpose related to this chapter;
5. Borrow money, provided the total of all the commission's debt may not exceed its estimate of the current year's revenues;
6. Sue and be sued; and
7. Do all things necessary and proper to enforce and administer this chapter.

4.1-03-10. Commission - Duties. The commission shall:

1. Establish and maintain an office centrally located within this state;
2. Keep accurate records of all assessments and other financial transactions under this chapter; and
3. Determine the uses to which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of state, regional, national, and international organizations.

4.1-03-11. Assessment - Penalty.

1. Any person who sells cattle in this state or from this state must pay an assessment equal to the greater of:
   a. Fifty cents for each animal sold; or
   b. The amount set forth in federal law.
2. The assessment provided for in subsection 1 does not apply to cattle owned by a person who certifies to the commission, on forms provided by the commission, that:
   a. The person's only share in the proceeds of a sale is a sales commission, handling fee, or other service fee; or
   b. (1) The person acquired ownership of the cattle to facilitate the transfer of ownership to a third party;
      (2) The person resold the cattle within ten days from the date on which the person acquired ownership; and
      (3) Any assessment that was levied upon the prior owner has been collected and remitted or will be remitted in a timely fashion.
3. Any person willfully providing false or misleading information to the commission under this section is guilty of a class B misdemeanor.

4.1-03-12. Collection of assessment.

1. Each livestock auction market and livestock dealer shall:
   a. Collect the assessments due under this chapter by deducting the assessments from any credit given or payment made to the seller of the cattle, at the time of the transaction; and
   b. Forward the assessments to the commission in accordance with section 4.1-03-13.
2. a. If a person sells North Dakota cattle outside this state or if a person sells North Dakota cattle to an out-of-state buyer, the person shall forward any assessments due under this chapter to the commission in accordance with section 4.1-03-13.
   b. This subsection does not apply if the assessment has been paid to a brand inspector in another state or to another qualified state beef council.

3. Any other person selling cattle in this state shall forward any assessments due under this chapter to the commission in accordance with section 4.1-03-13.

4.1-03-13. Submission of assessments - Penalty.

1. Any person required to forward assessments to the commission in accordance with section 4.1-03-12 shall do so no later than the fifteenth day of the month following that in which the cattle were sold.
2. Any unpaid assessments due pursuant to this chapter must be increased by two percent on the sixteenth day of each month.
3. Any person who fails to forward assessments as required by this chapter within thirty days following the month in which the cattle were sold is guilty of a class B misdemeanor.
4. For purposes of this section, an assessment is deemed to have been forwarded to the commission:
   a. On the date of its postmark if mailed;
   b. On the date of its verified shipment if sent by courier; or
   c. On the date of its receipt by the commission if delivered personally or electronically.

4.1-03-14. Transaction records - Inspection by commission.

1. Any person required to collect or submit an assessment under this chapter shall keep a record of:
   a. The number of cattle:
      (1) Purchased;
      (2) Initially transferred; and
      (3) Otherwise subject to assessment under this chapter;
   b. The date of any transaction involving cattle referenced in subdivision a;
   c. The name of the person who sold the cattle;
   d. The number of cattle imported or the equivalent of beef or beef products;
   e. The amount of any assessment forwarded;
   f. The reason for any discrepancy between the amount forwarded and the dollar amount obtained when multiplying the number of cattle referenced in subdivision a by the per head assessment; and

g. The date on which any assessment was paid.

2. All records required by this section and any records required to verify other information provided to the commission in accordance with this chapter must be:

a. Maintained for a period of at least three years; and

b. Made available for inspection by the commission upon request.

4.1-03-15. Authorization to request records - Penalty.

1. The commission may require the purchaser of cattle subject to assessment under this chapter to furnish the commission with a list of persons from whom cattle were purchased.

2. Any person knowingly refusing to furnish the commission with required information is guilty of a class B misdemeanor.

4.1-03-16. Continuing appropriation. The commission shall forward all moneys received under this chapter to the state treasurer for deposit in the North Dakota beef commission fund. All moneys in the North Dakota beef commission fund are appropriated on a continuing basis to the commission to be used exclusively to carry out this chapter.

4.1-03-17. Refund of assessment - Required certification by attorney general.

1. When the attorney general certifies to the commission that refunds of assessments paid in accordance with this chapter are no longer precluded by federal law, the commission may provide refunds to producers.

2. a. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the commission a written request for a refund application within sixty days after the date of the sale.

b. The producer must complete the refund application and return the application to the commission, together with a record of the assessment paid, within ninety days after the date of the sale. The commission shall then refund the net amount of the assessment that had been collected.

c. If a request for a refund is not submitted to the commission within the prescribed time period, the producer is presumed to have agreed to the assessment.

4.1-03-18. Open records exceptions.

1. The following are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota:
   a. Records furnished to the commission pursuant to section 4.1-03-14;
   b. Records furnished to the commission pursuant to section 4.1-03-15; and
   c. The identity of a person that applied for a refund under section 4.1-03-17 and the amount of the refund requested.
2. This section does not preclude the commission from:
   a. Issuing general statements based upon the reports of persons subject to this chapter; or
   b. Publishing the name of any person found guilty of violating this chapter and describing the offense committed.

SECTION 4. Chapter 4.1-04 of the North Dakota Century Code is created and enacted as follows:

4.1-04-01. Definitions. As used in this chapter:

1. "Commissioner" means the agriculture commissioner or the commissioner's designee.
2. "Corn" means all varieties of corn, except sweet corn and popcorn.
3. "Council" means the North Dakota corn utilization council.
4. "Designated handler" means:
   a. Any public warehouse, licensed grain buyer, roving grain buyer, processing plant, merchandising company, or ethanol plant that purchases corn from a producer; and
   b. Any person having a claim against the producer if the actual or constructive possession of the corn is taken as security, partial payment, or in satisfaction of a mortgage, pledge, lien, or claim.
5. "Producer" means any person that:
   a. Plants or causes to be planted a corn crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or

c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-04-02. Corn districts - Establishment. The state consists of the following seven corn districts:

1. Richland County;
2. Cass, Steele, and Traill Counties;
3. Benson, Bottineau, Burke, Cavalier, Divide, Grand Forks, McHenry, Mountrail, Nelson, Pembina, Pierce, Ramsey, Renville, Rolette, Towner, Walsh, Ward, and Williams Counties;
4. Barnes, Eddy, Foster, Griggs, and Stutsman Counties;
5. Sargent and Ransom Counties;
6. Dickey and LaMoure Counties; and
7. All remaining counties in which corn is grown.

4.1-04-03. Corn council - Membership - Term.

1. The council consists of one producer elected from each of the seven districts established in section 4.1-04-02.
2. Each member of the council must be a resident of the district that the member represents.
3. A member of the council may not have requested a refund under section 4.1-04-13 during the preceding year.
4. The term of each member is four years and begins on April first following the member's election. The terms must be staggered so that no more than two expire each year.
5. If at any time during a member's term the member ceases to possess any of the qualifications provided for in this chapter, the member's office is deemed vacant and the council, by majority vote, shall appoint another qualified producer for the remainder of the term.
6. An elected member of the council may not serve more than two consecutive terms.
7. If an individual is appointed to complete a vacancy, that service is not counted as a term for purposes of this section unless the duration of that service exceeds one year.

4.1-04-04. Election of council member.

1. No later than January first of the year in which the term of a council member is to expire, the council shall appoint a nominating committee consisting of at least two producers who reside in the council member's district and who have not requested a refund under section 4.1-04-13 during the preceding year.
2. No later than February first, the committee shall nominate a qualified producer as a candidate for council membership.
3. Other qualified producers may become candidates for council membership by submitting to the council, no later than March first, a petition signed by at least five producers who reside in the district to be represented.
4. a. If a qualified producer submits a petition in accordance with subsection 3, the council shall:
   (1) Determine the date, time, and place for the election;
   (2) Publish that information in the official newspaper of each county in the district for two consecutive weeks;
   (3) Prepare the ballots; and
   (4) Conduct the election.

   b. If a qualified producer does not submit a petition in accordance with subsection 3, and the only candidate for council membership is the individual recommended by the nominating committee, the council shall waive the election requirements and declare that the individual recommended by the nominating committee is the new council member.
5. Any producer who resides in the district and who did not request a refund under section 4.1-04-13 during the preceding year may vote in the election.
6. The council shall provide to the governor the name and address of the new council member.

4.1-04-05. Election costs - Responsibility. All costs of holding an election are the responsibility of the council.

4.1-04-06. Meetings.

1. Annually, the council shall elect one member to serve as the chairman.

2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-04-07. Council members - Compensation. Each member of the council is entitled to receive compensation in the amount established by the council but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officials if the member is attending meetings or performing duties directed by the council.

4.1-04-08. Council - Powers. The council may:

1. Expend moneys collected pursuant to this chapter for its administration;
2. Employ, bond, and compensate necessary personnel;
3. Accept gifts, grants, and donations of money, property, and services to carry out this chapter;
4. Contract with any person for any purpose related to this chapter, including research, education, publicity, promotion, and transportation;
5. Sue and be sued; and
6. Do all things necessary and proper to enforce and administer this chapter.

4.1-04-09. Council - Duties.

1. The council shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of other state, regional, national, and international promotion groups.
2. The council shall develop and disseminate information regarding the purpose of the corn assessment and ways in which the assessment benefits corn producers.

4.1-04-10. Assessment. Until the commissioner certifies that a national corn checkoff is in effect, an assessment at the rate of one-quarter of one percent of the value of a bushel must be imposed upon all corn grown and sold in this state.

4.1-04-11. Collection of assessment - Records.

1. A designated handler shall collect the assessment from the producer by deducting the assessment from the purchase price of the corn.

2. Each designated handler shall keep documents regarding all purchases, sales, and shipments of corn for a period of three years. The records may be examined by the council upon request.

3. At the time and in the manner prescribed by the council, each designated handler shall file a report with the council. The report must state, in individual and total amounts, the quantity of all corn that the designated handler received, sold, or shipped, and the source of all corn that the designated handler received, sold, or shipped.

4.1-04-12. Submission of assessment by producer - Civil penalty.

1. If a producer sells corn to a person that is not a designated handler, the producer shall forward the assessment to the council within thirty days after the end of each calendar quarter.

2. If a producer fails to submit the assessments as required by this section, the council may levy a penalty equal to ten percent of the assessment due, plus interest at the rate of twelve percent per annum from the due date.

4.1-04-13. Refund of assessment - Form.

1. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the council a written request for a refund application within sixty days after the date of the assessment or final settlement.

2. The producer shall complete the refund application and return the application to the council, together with a record of the assessment collected, within ninety days after the date of the assessment or final settlement. The council shall then refund to the producer the net amount of the assessment that had been collected from the producer.

3. If a request for a refund is not submitted to the council within the prescribed time period, the producer is presumed to have agreed to the assessment.

4. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-04-14. Reimbursement for double payments. Notwithstanding section 4.1-04-13, if a producer documents to the council that the producer has paid the assessment

more than once on the same corn, the council shall reimburse the producer for the double payment.

4.1-04-15. Submission of assessments - Civil penalty.

1. Each designated handler shall forward to the council all assessments collected by the designated handler within thirty days after the end of each calendar quarter.
2. If a designated handler fails to submit the assessments as required by this section, the council may levy a penalty equal to ten percent of the assessment due, plus interest at the rate of twelve percent per annum from the due date.

4.1-04-16. Expenditures - Approval - Records. The council shall approve all expenditures made pursuant to this chapter. The expenditures must be recorded on itemized vouchers and the records must be maintained as directed by the state records administrator.

4.1-04-17. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the corn fund. All moneys in the corn fund are appropriated on a continuing basis to the council to be used exclusively to carry out this chapter.

4.1-04-18. Advisory referendum.

1. a. When petitioned to do so by fifteen percent of the producers, the council shall conduct a referendum among the producers of the state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.
   b. To be considered a valid petition, no more than fifty percent of the producers who signed the petition may reside in one district.
2. The council shall determine the date on which in-person voting will take place.
3. The council shall prepare the ballots and make the ballots available to producers at each county extension office in the state.
4. Each ballot must include a statement indicating:
   a. The date, time, and location at which the council will open and tabulate the ballots; and
   b. That any producer may be present at the time the ballots are opened and tabulated.

5. a. Beginning no sooner than thirty days before the date established for in-person voting in accordance with subsection 2, the council also shall provide absentee ballots upon request to producers who expect to be absent from their county of residence on the date established for in-person voting in accordance with subsection 2.

b. The council shall include with each absentee ballot requested a form indicating that the producer is eligible to participate in the referendum. The form must be signed by the absentee producer and returned with the absentee ballot.

c. In order to be counted, an absentee ballot and the voter's statement of eligibility must be received by the council at least forty-eight hours before the time at which the council stated it would open and tabulate ballots.

6. If a majority of the producers voting upon the question are in favor of the proposed change, the council shall submit proposed legislation to the next regular session of the legislative assembly to amend this chapter.

4.1-04-19. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 5. Chapter 4.1-05 of the North Dakota Century Code is created and enacted as follows:

4.1-05-01. Definitions. As used in this chapter:

1. "Commission" means the North Dakota dairy promotion commission.

2. "Dairy product" means a product for human consumption which is derived from the processing of milk from cows. The term includes a milk product normally consumed in liquid form as a beverage.

3. "Dealer" means any person that handles, ships, buys, or sells dairy products, or who acts as a sales or purchasing agent, broker, or factor of dairy products.

4. "Gross receipts" means the amount paid to a producer for milk or for a product derived from milk and sold by such producer.

5. "Processor" means a person that takes delivery of milk or cream and then:

a. Cans, dries, prepares, or packages the milk or cream; or

b. Produces another product from the milk or cream.

6. "Producer" means a person engaged in the production of milk from cows for commercial use.

4.1-05-02. North Dakota dairy promotion commission - Membership - Terms.

1. The North Dakota dairy promotion commission consists of the following voting members:
   a. Two producers appointed by the governor from a list of nominees submitted by the milk producers association of North Dakota;
   b. The chairman of the North Dakota division of the midwest dairy association; and
   c. Two individuals who are members of and elected by the North Dakota division of the midwest dairy association.
2. a. The term of each producer appointed by the governor is two years and must be staggered so that the term of only one producer expires each year.
   b. The term of each individual who is a member of and elected by the North Dakota division of the midwest dairy association is two years and must be staggered so that the term of only one individual expires each year.
3. Each term of office begins July first.
4. Whenever an association is required by subsection 1 to submit nominees to the governor, that association shall submit at least two nominees for each position to be filled.

4.1-05-03. Nonvoting members - Appointment. The commission may appoint up to four nonvoting members. The commission shall adopt policies governing the appointments and qualifications of nonvoting members.

4.1-05-04. Election of chairman and officers - Meetings.

1. Annually, the commission shall elect one member to serve as the chairman.
2. The chairman shall call all meetings of the commission and shall call a special meeting of the commission within seven days when petitioned to do so by three commission members.
3. Annually, the commission shall elect other officers, including a vice chairman and a secretary-treasurer.

4.1-05-05. Commission members - Compensation. Each member of the commission is entitled to receive compensation, in the amount established by the commission, but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the commission. The compensation provided for in this section may not be paid to any member of the commission who receives a salary or other compensation as an employee or official of this state if the individual is serving on the commission by virtue of the individual's state office or state employment.

4.1-05-06. Commission - Powers. The commission may:

1. Expend moneys collected pursuant to this chapter for its administration;
2. Employ, bond, and compensate necessary personnel;
3. Accept gifts, grants, and donations of money, property, and services, to carry out this chapter;
4. Contract with any person for any purpose permitted under this chapter;
5. Sue and be sued; and
6. Do all things necessary and proper to enforce and administer this chapter.

4.1-05-07. Commission - Duties. The commission shall determine the uses to which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, to promote the increased sale and consumption of dairy products, as well as participation in programs under the auspices of state, regional, national, and international dairy promotion groups.

4.1-05-08. Assessment - Collection.

1. Each producer must pay an assessment of ten cents per hundredweight [45.36 kilograms] on all milk sold by the producer and on any milk used by the producer to manufacture other products.
2. All assessments imposed by this section:
   a. Must be collected by the first dealer or processor by deducting the amount of the assessment from the producer's gross receipts; or
   b. Are payable by the producer upon sale of the milk products by the producer directly to the consumer.

4.1-05-09. Submission of assessments - Civil penalty.

1. Any person in possession of assessments required by this section shall forward the assessments to the commission on or before the final day of the month following the month in which the milk or milk products were marketed.

2. If a person fails to submit the assessments imposed by this chapter to the commission as required by this section, the commission may assess a one-time penalty equal to one and one-half percent of the amount of the assessment.

4.1-05-10. Record retention. Any person responsible for the collection and submission of assessments under this chapter shall keep a record of all gross receipts subject to the assessment. These records must be retained for a period of three years from the date of the transaction and are subject to inspection by the commission.

4.1-05-11. Reports.

1. Any person required by section 4.1-05-10 to keep a record shall:
   a. Submit to the commission a form indicating:
      (1) The amount of milk that was subject to the assessment during the preceding month; and
      (2) Any other information that the commission requests; and
   b. Retain a copy of the form for a period of three years from the date of the submission.

2. Any dealer or processor required to submit a form under this section shall make the form available upon request to any producer who sold milk to the dealer or processor.

4.1-05-12. Refund of assessment - Required certification by attorney general.

1. When the attorney general certifies to the commission that refunds of assessments paid in accordance with this chapter are no longer precluded by the Dairy Research and Promotion Act [7 U.S.C. 4501 et seq.] or by any other applicable law, the commission may provide refunds to producers.

2. a. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the commission a written request for refund application within sixty days after the date of the assessment or final settlement.

b. The producer shall complete the refund application and return the application to the commission, together with a record of the assessment paid, within ninety days after the date of the assessment or final settlement. The commission shall then refund the net amount of the assessment that had been collected.

c. If a request for a refund is not submitted to the commission within the prescribed time period, the producer is presumed to have agreed to the assessment.

4.1-05-13. Expenditure of funds. The commission shall approve all expenditures made pursuant to this chapter and shall submit an itemized voucher to the office of management and budget for payment.

4.1-05-14. Continuing appropriation. The commission shall forward all moneys received under this chapter to the state treasurer for deposit in the North Dakota dairy promotion commission fund. All moneys in the North Dakota dairy promotion commission fund are appropriated on a continuing basis to the commission to be used exclusively to carry out this chapter.

4.1-05-15. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 6. Chapter 4.1-06 of the North Dakota Century Code is created and enacted as follows:

4.1-06-01. Definitions. As used in this chapter:

1. "Commissioner" means the agriculture commissioner or the commissioner's designee.
2. "Council" means the North Dakota dry bean council.
3. "Designated handler" means any person that initially places dry beans into the channels of trade and commerce or any person that is engaged in the processing of beans into food for human consumption. The term does not include a producer selling the producer's unharvested dry beans or delivering the producer's dry beans from the farm on which they are produced to storage facilities, packing sheds, or processing plants within the state.

4. "Dry beans" mean all varieties of dry beans harvested in this state. The term does not include soybeans.
5. "Participating producer" means a producer that has not applied for a refund under section 4.1-06-15 during the preceding twelve months.
6. "Producer" means any person that:
   a. Plants or causes to be planted a dry bean crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or
   c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-06-02. Dry bean districts - Establishment. The state consists of the following six dry bean districts:

1. Cavalier, Pembina, and Towner Counties.
2. Ramsey and Walsh Counties.
3. Grand Forks and Nelson Counties.
4. Griggs, Steele, and Traill Counties.
5. Barnes, Cass, Dickey, Kidder, LaMoure, Logan, McIntosh, Ransom, Richland, Sargent, and Stutsman Counties.
6. Adams, Benson, Billings, Bottineau, Bowman, Burke, Burleigh, Divide, Dunn, Eddy, Emmons, Foster, Golden Valley, Grant, Hettinger, McHenry, McKenzie, McLean, Mercer, Morton, Mountrail, Oliver, Pierce, Renville, Rolette, Sheridan, Sioux, Slope, Stark, Ward, Wells, and Williams Counties.

4.1-06-03. North Dakota dry bean council - Membership - Term.

1. The council consists of one participating producer elected from each of the districts established in section 4.1-06-02 and the commissioner, who is a nonvoting member.
2. Each member of the council must be a United States citizen.
3. Each member of the council, other than the commissioner, must be a resident of and participating producer in the district that the member represents.

4. The term of each elected member is three years and begins on April first following the member's election. The terms must be staggered so that no more than two expire each year.

5. If at any time during a member's term the member ceases to possess any of the qualifications provided for in this chapter, the member's office is deemed vacant and the council, by majority vote, shall appoint another qualified producer for the remainder of the term.

6. An elected member of the council may not serve more than three consecutive terms. If an individual is appointed to complete a vacancy, that service is not counted as a term, for purposes of this section, unless the duration of that service exceeds one year.

4.1-06-04. Election of council member.

1. Each year during the month of February the commissioner shall identify the districts represented by council members whose terms are about to expire.

2. a. The commissioner shall forward to each producer residing in the district a letter inviting the producer to place the producer's own name or the name of another producer into nomination for election to the council.

   b. The commissioner shall include a statement of eligibility to be completed by the producer seeking election and a nomination petition to be signed by ten other producers.

3. For a name to be placed on the ballot, the statement of eligibility and the nomination petition must be received by the council on the date specified by the commissioner which may not be later than March tenth.

4. The commissioner shall prepare election ballots and mail the ballots to the producers in the district together with a statement indicating:

   a. The last date by which the ballots must be postmarked or filed with the council;

   b. The date, time, and location at which the council will open and tabulate the ballots; and

   c. That any participating producer may be present at the time the ballots are opened and tabulated.

5. The date selected for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.

6. After the election, the council shall notify the governor that the election has taken place and shall provide to the governor the name and address of the newly elected council member.

4.1-06-05. Election costs - Responsibility. All costs of holding county and district elections are the responsibility of the council.

4.1-06-06. Quorum. A majority of the council's voting members constitutes a quorum for the transaction of business.

4.1-06-07. Election of chairman - Meetings.

1. Annually, the council shall elect one member to serve as the chairman.

2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-06-08. Council members - Compensation. Each member of the council is entitled to receive compensation in the amount established by the council, but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-06-09. Council - Powers.

1. The council may:

   a. Expend moneys collected pursuant to this chapter for its administration;

   b. Employ, bond, and compensate necessary personnel;

   c. Accept gifts, grants, and donations of money, property, and services, to carry out this chapter;

   d. Contract with any person for any purpose permitted under this chapter;

   e. Sue and be sued; and

   f. Do all things necessary and proper to enforce and administer this chapter.

2. The council may not engage in a commercial business enterprise.

4.1-06-10. Council - Duties.

1. The council shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research,

education programs, and market development efforts, as well as participation in programs under the auspices of other state, regional, national, and international commodity councils.

2. The council shall develop and disseminate information regarding the purpose of the dry bean assessment and ways in which the assessment benefits dry bean producers.

4.1-06-11. Designated handler - Certificate.

1. Before a designated handler may sell, process, or ship dry beans, the designated handler shall obtain a certificate from the council.

2. The certificate is available upon submission to the council of an application containing the name under which the designated handler is transacting business within this state, the designated handler's place of business, and the location of loading and shipping places of the designated handler's agents.

   a. If the designated handler is a corporation, the application must include the corporate name and the names and addresses of the principal officers and agents within this state.

   b. If the designated handler is a partnership, the application must include the names and addresses of the persons constituting the partnership.

   c. If the designated handler is a limited liability company, the application must include the name of the limited liability company and the names and addresses of its principal managers and agents within this state.

3. The designated handler shall notify the council whenever there is a change of information required by this section.

4.1-06-12. Assessment.

1. An assessment at the rate of ten cents per hundredweight [45.36 kilograms] must be imposed upon all dry beans grown in this state, delivered into this state, or sold to a designated handler.

2. The assessment imposed by this section does not apply to dry bean seeds nor to dry beans used for purposes other than human consumption.

4.1-06-13. Collection of assessment - Records.

1. The designated handler shall collect the assessment from the seller by deducting the assessment from the total price of the dry beans being purchased by the designated handler.
2. Each designated handler shall keep documents regarding all purchases, sales, and shipments of raw dry beans for a period of three years. The records may be examined by the council upon request.
3. At the time and in the manner prescribed by the council, each designated handler shall file a report stating, in individual and total amounts, the quantity of all dry beans that the handler received, sold, or shipped, and the source of all dry beans that the handler received, sold, or shipped.

4.1-06-14. Submission of assessments - Civil penalty.

1. Each designated handler shall forward to the council all assessments collected by the handler no later than the thirtieth day after the end of each calendar quarter.
2. If a designated handler fails to submit the assessments as required by this section, the council may impose a penalty equal to ten percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-06-15. Refund of assessment.

1. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the council a written request for a refund application within sixty days after the date of the assessment or final settlement.
2. The producer shall complete the refund application and return the application to the council, together with a record of the assessment collected, within ninety days after the date of the assessment or final settlement. The council shall then refund to the producer the net amount of the assessment that had been collected.
3. If a request for a refund is not submitted to the council within the prescribed time period, the producer is presumed to have agreed to the assessment.
4. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-06-16. Reimbursement for double payment. Notwithstanding section 4.1-03-15, if a producer documents to the council that the producer has paid the assessment more than once on the same dry beans, the council shall reimburse the producer for the double payment.

4.1-06-17. Expenditure of funds. The council shall approve all expenditures made pursuant to this chapter and shall submit an itemized voucher to the office of management and budget for payment.

4.1-06-18. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the dry bean fund. All moneys in the dry bean fund are appropriated on a continuing basis to the council to be used to carry out this chapter.

4.1-06-19. Advisory referendum.

1. a. When petitioned to do so by fifteen percent of the participating producers, the council shall conduct a referendum among the participating producers of the state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.
   b. To be considered a valid petition, no more than fifty percent of the participating producers who signed the petition may reside in one district.
2. The council shall prepare the ballots and mail the ballots to each participating producer at least thirty days before the last date for filing ballots.
3. Each ballot must include a statement indicating:
   a. The date on which the petition was filed and the number of signatures on the petition;
   b. The date, time, and location at which the council will open and tabulate the ballots;
   c. The last date by which the ballots must be postmarked or filed with the council; and
   d. That any participating producer may be present at the time the ballots are opened and tabulated.
4. The date selected by the council for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.
5. If the majority of the participating producers voting upon the question are in favor of the proposed change, the council shall submit a bill to the next legislative assembly to amend this chapter.

4.1-06-20. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 7. Chapter 4.1-07 of the North Dakota Century Code is created and enacted as follows:

4.1-07-01. Definitions. As used in this chapter:

1. "Commissioner" means the agriculture commissioner or the commissioner's designee.
2. "Council" means the North Dakota dry pea and lentil council.
3. "Dry peas and lentils" include chickpeas, lupins, and fava beans.
4. "First purchaser" means any person accepting for sale or otherwise acquiring dry peas and lentils from a grower after harvest. The term includes a mortgagee, pledgee, lienor, and any person having a claim against the producer, when the actual or constructive possession of dry peas and lentils is taken as partial payment or in satisfaction of a mortgage, pledge, lien, or claim.
5. "Participating producer" means a producer that has not applied for a refund under section 4.1-07-15 for at least three years.
6. "Producer" means any person that:
   a. Plants or causes to be planted a dry pea and lentil crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or
   c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-07-02. Dry pea and lentil districts - Establishment. The state consists of the following five dry pea and lentil districts:

1. Burke, Divide, McKenzie, Mountrail, and Williams Counties.
2. Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, Mercer, Morton, Oliver, Sioux, Slope, and Stark Counties.
3. Benson, Bottineau, McHenry, Pierce, Renville, Rolette, Towner, and Ward Counties.

4. Burleigh, Emmons, Kidder, Logan, McIntosh, McLean, Sheridan, and Wells Counties.

5. Barnes, Cass, Cavalier, Dickey, Eddy, Foster, Grand Forks, Griggs, LaMoure, Nelson, Pembina, Ramsey, Ransom, Richland, Sargent, Steele, Stutsman, Traill, and Walsh Counties.

4.1-07-03. Dry pea and lentil council - Membership - Term.

1. The council consists of one participating producer elected from each district established in section 4.1-07-02 and the commissioner.

2. Each member of the council must be a United States citizen.

3. Each member of the council, other than the commissioner, must be a resident of and participating producer in the district that the member represents.

4. The term of each elected member is three years and begins on April first following the member's election. The terms must be staggered so that no more than two expire each year.

5. If at any time during a member's term the member ceases to possess any of the qualifications provided for in this chapter, the member's office is deemed vacant and the council, by majority vote, shall appoint another qualified producer for the remainder of the term.

6. An elected member of the council may not serve more than three consecutive terms.

7. If an individual is appointed to complete a vacancy, that service is not counted as a term for purposes of this section unless the duration of that service exceeds one year.

4.1-07-04. Election of county representative.

1. a. No later than March first of the year in which the term of a council member is to expire, the extension agent for each county in that member's district shall hold a meeting of dry pea and lentil producers for the purpose of electing a county representative.

   b. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.

c. The meeting must be held within the county.

d. During the meeting the county extension agent shall conduct the election.

e. Any producer who resides in the county may vote in the election.

f. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the council that the election has taken place, and provide to the director and the council the name and address of the newly elected county representative.

2. Subsection 1 does not apply if the county extension agent, in consultation with the executive director of the county farm service agency office, determines and notifies the council that no dry pea and lentil producers willing to serve as county representatives reside within the county.

4.1-07-05. Election of district representative - Council member.

1. Upon receiving the notice required by subdivision f of subsection 1 of section 4.1-07-04, the director of the North Dakota state university extension service shall call a meeting of all county representatives in the district represented by the member whose term is to expire.

2. The director shall notify each county representative in the district of the meeting, by mail, at least five days before the meeting.

3. The meeting must be held within the district.

4. At the meeting, the county representatives shall elect one from among themselves to serve as the council member from that district.

5. The director shall notify the governor and the council that the election has taken place and shall provide to the governor and the council the name and address of the newly elected council member.

4.1-07-06. Election costs - Responsibility. All costs of holding county and district elections are the responsibility of the council.

4.1-07-07. Election of chairman - Meetings.

1. Annually, the council shall elect one member to serve as the chairman.

2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-07-08. Council members - Compensation. Except for the agriculture commissioner, each member of the council is entitled to receive compensation in the amount established by the council but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-07-09. Council - Powers. The council may:

1. Expend moneys collected pursuant to this chapter for its administration;
2. Employ, bond, and compensate necessary personnel;
3. Accept gifts, grants, and donations of money, property, and services, to carry out this chapter;
4. a. Contract with the governmental entity that is responsible for administration of the dry pea and lentil assessment in another state or province and provide for:
   (1) The return by that governmental entity of any assessment charged on dry peas and lentils grown in this state; and
   (2) The return by the council of any assessment charged on dry peas and lentils grown in another state or province; and
   b. Contract with any person for any other purpose permitted under this chapter;
5. Sue and be sued; and
6. Do all things necessary and proper to enforce and administer this chapter.

4.1-07-10. Council - Duties.

1. The council shall determine the uses to which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of the United States dry pea and lentil council.
2. The council shall develop and disseminate information regarding the purpose of the dry pea and lentil assessment and ways in which the assessment benefits dry pea and lentil producers.

4.1-07-11. First purchaser - Certificate.

1. Before a first purchaser of dry peas and lentils may sell, process, or ship any dry peas or lentils, the first purchaser shall obtain a certificate from the council.

2. The certificate is available upon submission to the council of an application containing the name under which the first purchaser is transacting business within this state, the first purchaser's place of business, and the location of loading and shipping places of the first purchaser's agents.
   a. If the first purchaser is a corporation, the application must include the corporate name and the names and addresses of the principal officers and agents within this state.
   b. If the first purchaser is a partnership, the application must include the name of the partnership and the names and addresses of the persons constituting the partnership.
   c. If the first purchaser is a limited liability company, the application must include the name of the limited liability company and the names and addresses of its principal managers and agents within this state.
3. The first purchaser shall notify the council whenever there is a change of information required by this section.

4.1-07-12. Assessment. An assessment at the rate of one percent of the net value of dry peas and lentils is levied upon all dry peas and lentils grown in the state or sold to a first purchaser.

4.1-07-13. Collection of assessment - Records.

1. A first purchaser shall collect the assessment from the producer by deducting the assessment from the net purchase price of the dry peas and lentils being purchased by the first purchaser.
2. Each first purchaser shall keep documents regarding all purchases, sales, and shipments of dry peas and lentils for a period of three years. The records may be examined by the council upon request.
3. At the time and in the manner prescribed by the council, each first purchaser shall file a report with the council stating, in individual and total amounts, the quantity and source of all dry peas and lentils that the first purchaser received, sold, or shipped.

4.1-07-14. Submission of assessment - Civil penalty.

1. Each first purchaser shall forward to the council all assessments collected by the first purchaser no later than the thirtieth day after the end of each calendar quarter.
2. If a first purchaser fails to submit the assessments as required by this section, the council may impose a penalty equal to ten percent of the assessment due, plus interest at the rate of twelve percent per annum from the due date.

4.1-07-15. Refund of assessment.

1. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the council a written request for a refund application within sixty days after the date of the assessment or final settlement.
2. The producer shall complete the refund application and return the application to the council, together with a record of the assessment collected, within ninety days after the date of the assessment or final settlement. The council then shall refund to the producer the net amount of the assessment that had been collected from the producer.
3. If a request for refund is not submitted to the council within the prescribed time period, the producer is presumed to have agreed to the assessment.
4. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-07-16. Reimbursement for double payment. Notwithstanding section 4.1-07-15, if a producer documents to the council that the producer has paid the assessment more than once on the same dry peas or lentils, the council shall reimburse the producer for the double payment.

4.1-07-17. Expenditure of funds. The council shall approve all expenditures made pursuant to this chapter. The expenditures must be recorded on itemized vouchers and the records must be maintained as directed by the state records administrator.

4.1-07-18. Continuing appropriation. All moneys received by the council under this chapter are appropriated on a continuing basis to the council to be used to carry out this chapter.

4.1-07-19. Advisory referendum.

1. a. When petitioned to do so by fifteen percent of the participating producers, the council shall conduct a referendum among the participating producers of the

state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.

b. To be considered a valid petition, no more than fifty percent of the participating producers who signed the petition may reside in one district.

2. The council shall prepare the ballots and mail the ballots to each participating producer at least thirty days before the last date for filing ballots.

3. Each ballot must include a statement indicating:

a. The date on which the petition was filed and the number of signatures on the petition;

b. The date, time, and location at which the council will open and tabulate the ballots;

c. The last date by which the ballots must be postmarked or filed with the council; and

d. That any participating producer may be present at the time the ballots are opened and tabulated.

4. The date selected by the council for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.

5. If the majority of the participating producers voting upon the question are in favor of the proposed change, the council shall submit proposed legislation to the next regular session of the legislative assembly to amend this chapter.

4.1-07-20. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 8. Chapter 4.1-08 of the North Dakota Century Code is created and enacted as follows:

4.1-08-01. Definitions. As used in this chapter:

1. "Beekeeper" means any person owning or controlling a colony of bees for the production of honey, beeswax, or byproducts.

2. "Commissioner" means the agriculture commissioner.

4.1-08-02. Assessment. An annual assessment in the amount of five cents is imposed on each colony of honeybees licensed by the beekeeper. The minimum annual assessment is one dollar.

4.1-08-03. Submission of assessments - Civil penalty.

1. Each beekeeper shall submit the assessment required by section 4.1-08-02 to the commissioner at the same time the beekeeper submits the license application required by section 4-12.2-04.
2. If a beekeeper fails to submit the assessment as required by this section, the commissioner may impose a penalty equal to five percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-08-04. Refunds.

1. To receive a refund of any assessment paid in accordance with this chapter, a beekeeper shall obtain an application form from the commissioner within sixty days from the date the commissioner received the assessment required by section 4.1-08-02.
2. The beekeeper shall return the completed form to the commissioner within ninety days from the date the commissioner received the assessment required by section 4.1-08-02.
3. A beekeeper is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-08-05. Continuing appropriation. The commissioner shall forward all moneys received under this chapter to the state treasurer for deposit in a special fund known as the honey fund. All moneys in the honey fund are appropriated on a continuing basis to the commissioner to carry out this chapter.

4.1-08-06. Assessment - Authorized expenditures. The assessment required by this chapter may be used to fund research, education programs, and market development efforts, as well as promotional efforts such as the North Dakota honey queen program.

4.1-08-07. Commissioner - Powers. The commissioner may:

1. Expend moneys appropriated under this chapter for the purposes set forth in section 4.1-08-06, provided the commissioner first consults with a committee appointed by the North Dakota beekeepers' association; and

2. Do all things necessary and proper to enforce and administer this chapter.

4.1-08-08. Biennial report - Information regarding honey assessments. When compiling the biennial report required by section 54-06-04, the commissioner shall provide information regarding activities under this chapter, including the amount of assessments collected and the manner in which the moneys were expended.

4.1-08-09. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 9. Chapter 4.1-09 of the North Dakota Century Code is created and enacted as follows:

4.1-09-01. Definitions. As used in this chapter:

1. "Commissioner" means the agriculture commissioner or the commissioner's designee.
2. "Council" means the North Dakota oilseed council.
3. "First purchaser" means any person that buys, accepts for shipment, or otherwise acquires oilseeds from a producer. The term includes a mortgagee, pledgee, lienor, and any other person having a claim against a producer if the actual or constructive possession of the oilseed is taken as partial payment or in satisfaction of the mortgage, pledge, lien, or claim.
4. "Oilseeds" include canola, crambe, flax, rapeseed, safflowers, and sunflowers.
5. "Participating producer" means a producer that has not applied for a refund under section 4.1-09-19 during the preceding twelve months.
6. "Producer" means any person that:
   a. Plants or causes to be planted an oilseed crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or
   c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-09-02. Sunflower districts - Establishment. The state consists of the following seven sunflower districts:

1. Cavalier, Grand Forks, Nelson, Pembina, Ramsey, and Walsh Counties.
2. Barnes, Cass, Griggs, Steele, and Traill Counties.
3. Dickey, LaMoure, Ransom, Richland, and Sargent Counties.
4. Burleigh, Emmons, Kidder, Logan, McIntosh, and Stutsman Counties.
5. Benson, Eddy, Foster, Pierce, Rolette, Sheridan, Towner, and Wells Counties.
6. Bottineau, Burke, Divide, Renville, McHenry, McLean, Mountrail, Ward, and Williams Counties.
7. Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Morton, Oliver, Sioux, Slope, and Stark Counties.

4.1-09-03. Canola districts - Establishment. The state consists of the following three canola districts:

1. Adams, Billings, Bowman, Burke, Divide, Dunn, Golden Valley, Grant, Hettinger, McKenzie, McLean, Mercer, Morton, Mountrail, Oliver, Renville, Sioux, Slope, Stark, Ward, and Williams Counties.
2. Benson, Bottineau, Burleigh, Dickey, Eddy, Emmons, Foster, Kidder, LaMoure, Logan, McHenry, McIntosh, Pierce, Rolette, Sheridan, Stutsman, and Wells Counties.
3. Barnes, Cass, Cavalier, Grand Forks, Griggs, Nelson, Pembina, Ramsey, Ransom, Richland, Sargent, Steele, Towner, Traill, and Walsh Counties.

4.1-09-04. North Dakota oilseed council - Membership - Term.

1. The council consists of:
   a. One participating sunflower producer elected from each of the seven districts established in section 4.1-09-02;
   b. One participating canola producer elected from each of the three districts established in section 4.1-09-03;
   c. One participating safflower producer appointed by the governor;
   d. One participating flax producer appointed by the governor;
   e. (1) One participating producer of an oilseed other than sunflowers, canola, safflowers, or flax, appointed by the governor; or

(2) One participating producer of any oilseed, appointed by the governor, if the governor is unable to appoint a participating producer who meets the requirements of paragraph 1;

f. One individual appointed by the director of the agricultural experiment station; and

g. The agriculture commissioner, who is a nonvoting member.

2. Each member of the council who represents a district must be a resident of and participating producer in that district.

3. a. The term of each member who represents a sunflower district is three years and begins on April first following the member's election. The terms of members who represent sunflower districts must be staggered so that:

(1) No more than three expire in any one year; and

(2) The term of the member who represents Bottineau, Burke, Divide, Renville, McHenry, McLean, Mountrail, Ward, and Williams Counties is identical to that of the member who represents Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Morton, Oliver, Sioux, Slope, and Stark Counties.

b. The term of each member who represents a canola district is three years and begins on April first following the member's election. The terms of members who represent canola districts must be staggered so that no more than one term expires in any one year.

c. The term of each member who is appointed is three years and begins on April first following the member's appointment. The terms of members who are appointed must be staggered so that no more than two expire in any one year.

4. If at any time a member of the council ceases to possess any of the qualifications required by this section, the member's office is deemed vacant.

a. If the office was held by an elected member, the remaining members of the council shall appoint another qualified producer for the remainder of the term.

b. If the office was held by a gubernatorial appointee, the governor shall appoint another qualified producer.

c. If the office was held by an appointee of the director of the agricultural experiment station, the director shall appoint another qualified individual.

5. A member of the council may not serve more than four consecutive terms.

6. If an individual is appointed to complete a vacancy, that service is not counted as a term for purposes of this section unless the duration of that service exceeds one year.

4.1-09-05. Election of county representative - Sunflower producers - Waiver.

1. a. No later than March first of the year in which the term of a council member who represents a sunflower district is to expire, the extension agent for each county in that member's district shall hold a meeting of sunflower producers for the purpose of electing a county representative.

b. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.

c. The meeting must be held within the county.

d. During the meeting, the county extension agent shall conduct the election.

e. Any participating sunflower producer who resides in the county may vote in the election.

f. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the council that the election has taken place, and provide to the director and the council the name and address of the newly elected county representative.

2. Subsection 1 does not apply if the county extension agent, in consultation with the executive director of the county farm service agency office, determines and notifies the council that no sunflower producers willing to serve as county representatives reside within the county.

4.1-09-06. Election of county representative - Canola producers - Waiver.

1. a. No later than March first of the year in which the term of a council member who represents a canola district is to expire, the extension agent for each county in that member's district shall hold a meeting of canola producers for the purpose of electing a county representative.

b. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.

c. The meeting must be held within the county.

d. During the meeting, the county extension agent shall conduct the election.

e. Any participating canola producer who resides in the county may vote in the election.

f. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the council that the election has taken place, and provide to the director and the council the name and address of the newly elected county representative.

2. Subsection 1 does not apply if the county extension agent, in consultation with the executive director of the county farm service agency office, determines and notifies the council that no canola producers willing to serve as county representatives reside within the county.

4.1-09-07. Election of council member - Sunflower district representative.

1. Upon receiving the notice required by subdivision f of subsection 1 of section 4.1-09-05, the director of the North Dakota state university extension service shall call a meeting of all county representatives in the sunflower district represented by the member whose term is to expire.

2. The director shall notify each county representative in the sunflower district of the meeting, by mail, at least five days before the meeting.

3. The meeting must be held within the district.

4. At the meeting, the county representatives shall elect one from among themselves to serve as the council member from that district.

5. The director shall notify the governor and the council that the election has taken place and shall provide to the governor and the council the name and address of the newly elected council member.

4.1-09-08. Election of council member - Canola district representative.

1. Upon receiving the notice required by subdivision f of subsection 1 of section 4.1-09-06, the director of the North Dakota state university extension service shall

call a meeting of all county representatives in the canola district represented by the member whose term is to expire.

2. The director shall notify each county representative in the canola district of the meeting, by mail, at least five days before the meeting.

3. The meeting must be held within the district.

4. At the meeting, the county representatives shall elect one from among themselves to serve as the council member from that district.

5. The director shall notify the governor and the council that the election has taken place and shall provide to the governor and the council the name and address of the newly elected council member.

4.1-09-09. Election costs - Responsibility. All costs of holding county and district elections are the responsibility of the council.

4.1-09-10. Quorum. A majority of the council's voting members constitutes a quorum for the transaction of business.

4.1-09-11. Election of chairman - Meetings.

1. Annually, the council shall elect one member to serve as the chairman.

2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-09-12. Council members - Compensation. Each member of the council, except the agriculture commissioner and the individual appointed by the director of the agricultural experiment station, is entitled to receive compensation in the amount established by the council but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-09-13. Council - Powers.

1. The council may:

   a. Expend moneys collected pursuant to this chapter for administration;

   b. Employ, bond, and compensate necessary personnel;

   c. Accept gifts, grants, and donations of money, property, and services, to carry out this chapter;

d. Contract with any person for any purpose permitted under this chapter;

e. Sue and be sued; and

f. Do all things necessary and proper to enforce and administer this chapter.

2. The council may not engage in a commercial business enterprise.

4.1-09-14. Council - Duties.

1. The council shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of other state, regional, national, and international oilseed promotion councils.

2. The council shall develop and disseminate information regarding the purpose of the oilseed assessment and ways in which the assessment benefits oilseed producers.

4.1-09-15. First purchaser - Certificate.

1. Before a first purchaser may sell, process, or ship any oilseeds, the first purchaser shall obtain a certificate from the council.

2. The certificate is available upon submission to the council of an application containing the name under which the first purchaser is transacting business within this state, the first purchaser's place of business, and the location of loading and shipping places of the first purchaser's agents.

a. If the first purchaser is a corporation, the application must include the corporate name and the names and addresses of the principal officers and agents within this state.

b. If the first purchaser is a partnership, the application must include the names and addresses of the persons constituting the partnership.

c. If the first purchaser is a limited liability company, the application must include the name of the limited liability company and the names and addresses of its principal managers and agents within this state.

3. The first purchaser shall notify the council whenever there is a change of information required by this section.

4.1-09-16. Assessment.

1. An assessment at the rate of three cents per hundredweight [45.36 kilograms] is imposed upon all oilseeds, other than flax, grown in this state or sold to a first purchaser.
2. An assessment at the rate of two cents per bushel [35.24 liters] is imposed upon all flax grown in this state or sold to a first purchaser.

4.1-09-17. Collection of assessment - Records.

1. The first purchaser shall collect the assessment from the producer by deducting the assessment from the total price of the oilseeds being purchased by the first purchaser.
2. Each first purchaser shall keep documents regarding all purchases, sales, and shipments of oilseeds for a period of three years. The records may be examined by the council upon request.
3. At the time and in the manner prescribed by the council, each first purchaser shall file a report stating, in individual and total amounts, the quantity of all oilseeds that the first purchaser received, sold, or shipped.

4.1-09-18. Submission of assessments - Civil penalty.

1. Each first purchaser shall forward to the council all assessments collected by the first purchaser within thirty days after the end of each calendar quarter.
2. If a first purchaser fails to submit the assessments as required by this section, the council may impose a penalty equal to ten percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-09-19. Refund of assessment.

1. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the council a written request for a refund application within sixty days after the date of the assessment or final settlement.
2. The producer shall complete the refund application and return the application to the council, together with a record of the assessment collected, within ninety days after the date of the assessment or final settlement. The council shall then refund the net amount of the assessment that had been collected.
3. If a request for a refund is not submitted to the council within the prescribed time period, the producer is presumed to have agreed to the assessment.

4. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-09-20. Reimbursement for double payments. Notwithstanding section 4.1-09-19, if a producer documents to the council that the producer has paid the assessment more than once on the same oilseeds, the council shall reimburse the producer for the double payment.

4.1-09-21. Expenditure of funds. The council shall approve all expenditures made pursuant to this chapter and shall submit an itemized voucher to the office of management and budget for payment.

4.1-09-22. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the oilseed fund. All moneys in the oilseed fund are appropriated on a continuing basis to the council to carry out this chapter.

4.1-09-23. Advisory referendum.

1. a. When petitioned to do so by fifteen percent of the participating producers, the council shall conduct a referendum among the participating producers of the state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.

   b. To be considered a valid petition, no more than fifty percent of the participating producers who signed the petition may reside in one district.

2. The council shall prepare the ballots and mail the ballots to each participating producer at least thirty days before the last date for filing ballots.

3. Each ballot must include a statement indicating:

   a. The date on which the petition was filed and the number of signatures on the petition;

   b. The date, time, and location at which the council will open and tabulate the ballots;

   c. The last date by which the ballots must be postmarked or filed with the council; and

   d. That any participating producer may be present at the time the ballots are opened and tabulated.

4. The date selected by the council for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.
5. If the majority of the participating producers voting upon the question are in favor of the proposed change, the council shall submit proposed legislation to the next regular session of the legislative assembly.

4.1-09-24. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 10. Chapter 4.1-10 of the North Dakota Century Code is created and enacted as follows:

4.1-10-01. Definitions. As used in this chapter:

1. "Commissioner" means agriculture commissioner or the commissioner's designee.
2. "Council" means the North Dakota potato council.
3. "Designated handler" means a person that initially places potatoes into the channels of trade and commerce or a person who processes potatoes into food for human consumption.
4. "Participating producer" means a producer that has not gained exemption from the payment of an assessment under this chapter for a particular year or a producer that is not exempt from the payment of an assessment under the terms of this chapter.
5. "Potato" means any variety of Irish potatoes harvested within this state.
6. "Producer" means a person that:
   a. Plants or causes to be planted, on at least ten acres [4.05 hectares], a potato crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or
   c. Has met the requirements of subdivision a during the immediately preceding growing season.

4.1-10-02. Potato districts - Establishment. The state consists of the following five potato districts:

1. Cavalier and Pembina Counties;
2. Walsh County in and west of range fifty-four;
3. Walsh County in and east of range fifty-three;
4. Benson, Grand Forks, and Nelson Counties; and
5. All remaining counties in the state.

4.1-10-03. North Dakota potato council - Membership - Term.

1. The North Dakota potato council is composed of:
   a. One participating producer elected from each of the five districts established in section 4.1-10-02; and
   b. The agriculture commissioner, who serves as the chairman.
2. Each member of the council must be a United States citizen.
3. Each member of the council, other than the commissioner, must be a resident of and participating producer in the district that the member represents.
4. The term of each elected member is three years and begins on July first following the member's election. The terms must be staggered so that no more than two expire each year.
5. If at any time during a member's term that member ceases to possess any of the qualifications provided for in this chapter, that member's office is deemed vacant and the council shall appoint another qualified producer for the remainder of the term.
6. An elected member of the council may not serve more than two consecutive terms.
7. If an individual is appointed to complete a vacancy, that service is not counted as a term, for purposes of this section, unless the duration of that service exceeds one year.

4.1-10-04. Election of council members.

1. Each year during the month of May, the commissioner shall identify the districts represented by council members whose terms are about to expire.
2. a. The commissioner shall forward to each producer residing in the district a letter inviting the producer to place the producer's own name or the name of another producer into nomination for election to the council.

b. The commissioner shall include a statement of eligibility to be completed by the producer seeking election and a nomination petition to be signed by five other producers.

3. In order for a name to be placed on the ballot, the statement of eligibility and the nomination petition must be received by the council on the date specified by the commissioner. That date may not be later than May thirty-first.

4. The commissioner shall prepare election ballots and mail the ballots to the participating producers in the district, together with a statement indicating:

a. The last date by which the ballots must be postmarked or filed with the council;

b. The date, time, and location at which the council will open and tabulate the ballots; and

c. That any participating producer may be present at the time the ballots are opened and tabulated.

5. The date selected for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.

6. After the election, the council shall notify the governor that the election has taken place and shall provide to the governor the name and address of the newly elected council member.

4.1-10-05. Meetings. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-10-06. Council members - Compensation. Each member of the council, except the agriculture commissioner, is entitled to receive compensation in the amount established by the council but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-10-07. Council - Powers.

1. The council may:

a. Expend moneys collected pursuant to this chapter for its administration;

b. Employ, bond, and compensate necessary personnel;

c. Accept gifts, grants, and donations of money, property, and services to carry out this chapter;

d. Contract with any person for any purpose permitted under this chapter;

e. Sue and be sued; and

f. Do all things necessary and proper to enforce and administer this chapter.

2. The council may not engage in a commercial business enterprise.

4.1-10-08. Council - Duties.

1. The council shall determine the uses to which any moneys raised under this chapter may be expended. The uses may include funding for research, education programs, transportation issues, and market development efforts, as well as participation in programs under the auspices of state, regional, national, and international promotion groups.

2. The council shall develop and disseminate information regarding the purpose of the potato assessment and ways in which the assessment benefits potato producers.

4.1-10-09. Designated handler - Certification.

1. Before a designated handler may sell, process, or ship potatoes, the designated handler shall obtain certification from the council. The certification is available upon submission to the council of an application containing the name under which the handler is transacting business within the state, the designated handler's place of business, and the location of loading and shipping places of the designated handler's agents.

2. a. If the designated handler is a corporation, the application must include the corporate name and the names and addresses of its principal officers and agents within the state.

b. If the designated handler is a partnership, the application must include names and addresses of the persons constituting the partnership.

c. If the designated handler is a limited liability company, the application must include the names and addresses of its principal managers and agents within the state.

3. The designated handler shall notify the council whenever there is a change of information required by this section.

4.1-10-10. Assessment.

1. Except as otherwise provided, an assessment at the rate of three cents per hundredweight [45.36 kilograms] is imposed upon all potatoes grown in this state or sold to a designated handler.
2. The council may increase the assessment by no more than one-half cent per hundredweight [45.36 kilograms] annually until a maximum assessment of four cents per hundredweight [45.36 kilograms] is reached.
3. This assessment is not imposed on any potatoes retained by producers for seed or for consumption by the producer, the producer's family, and nonpaying guests.

4.1-10-11. Collection of assessment - Records.

1. Each designated handler shall collect the assessment from the seller by deducting the assessment from the total price of the potatoes purchased by the designated handler.
2. Each designated handler shall keep documents regarding all purchases, sales, and shipments of raw potatoes for a period of three years. The records may be examined by the council upon request.
3. At the time and in the manner prescribed by the council, each designated handler shall file a report stating the quantity of potatoes that the designated handler received, sold, or shipped.

4.1-10-12. Submission of assessments - Civil penalty.

1. Each designated handler shall forward to the council all assessments collected by the handler no later than the thirtieth day after the end of each calendar quarter.
2. If a designated handler fails to submit the assessments as required by this section, the council may levy a penalty equal to ten percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-10-13. Refund of assessment - Letters of request.

1. To receive a refund of any assessments paid in accordance with this chapter, a producer shall:

a. Between January first and July fifteenth, submit a letter to the council indicating that the producer intends to request a refund of assessments paid on potatoes grown during that calendar year; and

b. Between June first and June fifteenth of the calendar year following the date of the letter required by subdivision a, submit a letter to the council requesting the refund of assessments paid by the producer on potatoes grown during the previous calendar year.

2. Upon verification that the requirements of this section have been met, the council shall provide the requested refund to the producer.

3. Notwithstanding subsections 1 and 2, a producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-10-14. Expenditures. The council shall approve all expenditures made pursuant to this chapter and shall submit an itemized voucher to the office of management and budget for payment.

4.1-10-15. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the potato fund. All moneys in the potato fund are appropriated on a continuing basis to the council for purposes of carrying out this chapter.

4.1-10-16. Advisory referendum.

1. a. When petitioned to do so by fifteen percent of the participating producers, the council shall conduct a referendum among the participating producers of the state to determine the amount by which the assessment imposed by this chapter should be raised or lowered.

b. To be considered a valid petition, no more than fifty percent of the participating producers who signed the petition may reside in one district.

2. The council shall prepare the ballots and mail the ballots to each participating producer at least thirty days before the last date for filing ballots.

3. Each ballot must include a statement indicating:

a. The date on which the petition was filed and the number of signatures on the petition;

b. The date, time, and location at which the council will open and tabulate the ballots;

c. The last date by which the ballots must be postmarked or filed with the council; and

d. That any participating producer may be present at the time the ballots are opened and tabulated.

4. The date selected by the council for the opening and tabulation of ballots must be at least five days after the date by which ballots must be postmarked or filed with the council.

5. If a majority of the participating producers voting upon the question are in favor of the proposed change, the council shall submit proposed legislation to the next regular session of the legislative assembly to amend this chapter.

4.1-10-17. Penalty - Criminal. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 11. Chapter 4.1-11 of the North Dakota Century Code is created and enacted as follows:

4.1-11-01. Definitions. As used in this chapter:

1. "Commissioner" means the agriculture commissioner or the commissioner's designee.

2. "Council" means the North Dakota soybean council.

3. "Designated handler" means any person that initially places soybeans into the channels of trade and commerce or any person that processes soybeans into food for human consumption.

4. a. "Producer" means any person that:

(1) Plants or causes to be planted a soybean crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;

(2) Will have met the requirements of paragraph 1 during the next available growing season; or

(3) Has met the requirements of paragraph 1 during the immediately preceding growing season.

b. The term does not include an organic producer that has been exempted from the payment of assessments, in accordance with federal law.

4.1-11-02. Soybean districts - Establishment. The state consists of the following eight soybean districts:

1. Richland County;
2. Dickey, LaMoure, Ransom, and Sargent Counties;
3. Cass County;
4. Barnes, Griggs, and Steele Counties;
5. Traill County;
6. Grand Forks County;
7. Pembina, Nelson, and Walsh Counties; and
8. All other North Dakota counties in which soybeans are grown.

4.1-11-03. North Dakota soybean council - Membership - Terms.

1. The council consists of one producer elected from each of the eight districts established in section 4.1-11-02 and the commissioner.
2. Each member of the council, except the commissioner, must be a resident of and a producer in the district that the member represents.
3. The term of each elected member is three years and begins on April first following the member's election. The terms must be staggered so that no more than three expire each year.
4. If at any time during a member's term the member ceases to possess any of the qualifications provided for in this section, the member's office is deemed vacant and the council, by majority vote, shall appoint another qualified producer to serve for the remainder of the term.
5. An elected member of the council may not serve more than two consecutive terms.
6. If an individual is appointed to complete a vacancy, that service is not counted as a term for purposes of this section unless the duration of that service exceeds one year.

4.1-11-04. Election of county representative.

1. a. No later than March first of the year in which the term of a council member is to expire, the extension agent for each county in that member's district shall

hold a meeting of soybean producers for the purpose of electing a county representative.

b. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.

c. The meeting must be held within the county.

d. During the meeting, the county extension agent shall conduct the election.

e. Any producer who resides in the county may vote in the election.

f. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the council that the election has taken place, and provide to the director and the council the name and address of the newly elected county representative.

2. Subsection 1 does not apply if the county extension agent, in consultation with the executive director of the county farm service agency office, determines and notifies the council that no soybean producers willing to serve as county representatives reside within the county.

4.1-11-05. Election of council member - District representative.

1. Upon receiving the notice required by subdivision f of subsection 1 of section 4.1-11-04, the director of the North Dakota state university extension service shall call a meeting of all county representatives in the district represented by the member whose term is to expire.

2. The director shall notify each county representative in the district of the meeting by registered mail at least five days before the meeting.

3. The meeting must be held within the district.

4. At the meeting, the county representatives shall elect one from among themselves to serve as the council member from that district.

5. The director shall notify the governor and the council that the election has taken place and shall provide to the governor and the council the name and address of the newly elected council member.

4.1-11-06. Election costs - Responsibility. All costs of holding county and district elections are the responsibility of the council.

4.1-11-07. Election of chairman - Meetings.

1. Annually, the council shall elect one member to serve as the chairman.
2. The chairman shall call all meetings of the council and shall call a special meeting of the council within seven days when petitioned to do so by three council members.

4.1-11-08. Council members - Compensation. Each member of the council, except the agriculture commissioner, is entitled to receive compensation in the amount established by the council but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council.

4.1-11-09. Council powers. The council may:

1. Expend moneys collected pursuant to this chapter for its administration;
2. Employ, bond, and compensate necessary personnel;
3. Accept gifts, grants, and donations of money, property, and services to carry out this chapter;
4. Contract with any person for any purpose permitted under this chapter;
5. Sue and be sued; and
6. Do all things necessary and proper to enforce and administer this chapter.

4.1-11-10. Council duties.

1. The council shall develop policies and initiate programs to promote the development of markets for and increase the utilization of soybeans grown in this state.
2. The council shall develop and disseminate information regarding the purpose of the soybean assessment and ways in which the assessment benefits soybean producers.
3. The council shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of national soybean promotion organizations.

4.1-11-11. Assessment. An assessment equaling one-half of one percent of the value of the sale must be imposed upon all soybeans sold to a designated handler.

4.1-11-12. Collection of assessment by designated handler - Records.

1. Each designated handler shall collect the assessment from the seller by deducting the assessment from the purchase price of all soybeans subject to the assessment.
2. Each designated handler shall keep all records regarding the quantity of soybeans received and assessed for a period of three years.
3. All records required by this section may be examined by the council upon request.

4.1-11-13. Quarterly report - Submission to council. At the time and in the manner prescribed by the council, each designated handler shall file with the council a quarterly report stating the quantity of all soybeans that the handler purchased and assessed.

4.1-11-14. Submission of assessments - Civil penalty. Each designated handler shall forward to the council all assessments collected by the handler within thirty days after the end of each calendar quarter. If a designated handler fails to submit the assessments as required by this section, the council shall increase the amount owed by two percent each month, beginning with the day following that on which the assessments came due.

4.1-11-15. Continuing appropriation. The council shall forward all moneys received under this chapter to the state treasurer for deposit in the soybean fund. All moneys in the soybean fund are appropriated on a continuing basis to the council to be used exclusively to carry out this chapter.

4.1-11-16. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 12. Chapter 4.1-12 of the North Dakota Century Code is created and enacted as follows:

4.1-12-01. Definitions.

1. "Commissioner" means the agriculture commissioner.
2. "Processor" means any person that purchases more than one thousand turkeys each year for slaughter.
3. "Producer" means any person that does business within this state and raises turkeys for slaughter each year.

4.1-12-02. Assessment - Determination.

1. The assessment required by this chapter is determined by:

a. Calculating the flock average live weight at the time of delivery to a processor; and

b. Calculating the actual number of turkeys in that flock after processing.

2. a. If the actual number of turkeys in a flock after processing had an average live weight of less than eighteen pounds, the assessment is equal to one cent per turkey.

b. If the actual number of turkeys in a flock after processing had an average live weight of at least eighteen pounds but less than twenty-eight pounds, the assessment is equal to one and one-half cents per turkey.

c. If the actual number of turkeys in a flock after processing had an average live weight of at least twenty-eight pounds, the assessment is equal to one and three-quarter cents per turkey.

4.1-12-03. Assessment - Collection - Remittance by processor. The processor shall collect the assessment required by this chapter at the time the turkeys are delivered to a processing plant, by deducting the amount required under section 4.1-12-02 from the price paid to the producer.

4.1-12-04. Invoice - Contents - Preparation by processor. At the time turkeys are delivered to a processor, the processor shall prepare and sign an invoice documenting:

1. The name and address of the producer;
2. The name and address of the seller, if the producer is not the seller;
3. The name and address of the processor;
4. The number of turkeys sold in that particular transaction;
5. The assessment collected on that particular transaction; and
6. The date.

4.1-12-05. Submission of assessments - Civil penalty.

1. A processor shall submit all assessments collected under this chapter to the commissioner within thirty days after the conclusion of each calendar quarter.
2. If a processor fails to submit the assessments as required by this section, the commissioner may impose a penalty equal to five percent of the amount due, plus interest at the rate of six percent per annum from the due date.

4.1-12-06. Out-of-state processors. The commissioner may contract with out-of-state processors for the collection and remittance of the assessment required by section 4.1-12-02.

4.1-12-07. Refund of assessment - Form. To receive a refund of any assessment paid in accordance with this chapter, a producer shall obtain an application form from the commissioner within sixty days from the date the producer's turkeys were delivered to a processor. The producer shall return the completed form to the commissioner within ninety days from the date the producer's turkeys were delivered to a processor. The producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.

4.1-12-08. Continuing appropriation. The commissioner shall forward all moneys received under this chapter to the state treasurer for deposit in a special fund known as the turkey fund. All moneys in the turkey fund are appropriated on a continuing basis to the commissioner to carry out this chapter.

4.1-12-09. Authorized expenditures. The assessment required by this chapter may be used to fund research, education programs, and market development efforts, as well as participation in programs under the auspices of the national turkey federation.

4.1-12-10. Powers of the commissioner. The commissioner may:

1. Expend moneys raised under this chapter for the purposes set forth in section 4.1-12-09, provided the commissioner first consults with a committee appointed by the North Dakota turkey federation;
2. Require a processor to prepare and submit additional information and documents if necessary for the enforcement and administration of this chapter; and
3. Do all other things necessary and proper to enforce and administer this chapter.

4.1-12-11. Biennial report - Information regarding turkey assessments. When compiling the biennial report required by section 54-06-04, the commissioner shall provide information regarding activities under this chapter, including the amount of assessments collected and the manner in which the moneys were expended.

4.1-12-12. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 13. Chapter 4.1-13 of the North Dakota Century Code is created and enacted as follows:

4.1-13-01. Definitions. As used in this chapter:

1. "Commercial channels" means the sale of wheat by a producer to any person who resells wheat or any product produced from wheat.
2. "Commission" means the North Dakota state wheat commission.
3. "Final settlement" means:
   a. The date that wheat upon which a loan was obtained is:
      (1) Sold to a person other than a governmental entity; or
      (2) Assigned or transferred to a United States government agency; or
   b. The date upon which payment for the wheat is actually made if the wheat is sold in accordance with the terms of a deferred payment contract.
4. "First purchaser" means any person buying, accepting for sale, or otherwise acquiring, after harvest, the property in or to wheat, from the producer. The term includes a mortgagee, pledgee, lienor, or other person having a claim against the producer if the actual or constructive possession of wheat is taken as partial payment or in satisfaction of a mortgage, pledge, lien, or claim.
5. "Producer" means any person that:
   a. Plants or causes to be planted a wheat crop in which the person has an ownership interest, with the intent that upon maturity the crop will be harvested;
   b. Will have met the requirements of subdivision a during the next available growing season; or
   c. Has met the requirements of subdivision a during the immediately preceding growing season.
6. "Sale" includes any pledge or mortgage of wheat, after harvest, to any person.
7. "Wheat" includes all classes of wheat.

4.1-13-02. Wheat districts - Establishment. The state consists of the following six wheat districts:

1. Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, Mercer, Morton, Oliver, Sioux, Slope, and Stark Counties;
2. Burke, Divide, McKenzie, Mountrail, Renville, Ward, and Williams Counties;

3. Burleigh, Eddy, Emmons, Foster, Kidder, Logan, McIntosh, McLean, Sheridan, Stutsman, and Wells Counties;
4. Benson, Bottineau, McHenry, Pierce, Ramsey, Rolette, and Towner Counties;
5. Barnes, Cass, Dickey, Griggs, LaMoure, Ransom, Richland, Sargent, Steele, and Traill Counties; and
6. Cavalier, Grand Forks, Nelson, Pembina, and Walsh Counties.

4.1-13-03. Wheat commission - Membership - Eligibility.

1. The wheat commission consists of:
   a. One individual elected from each of the six districts established in section 4.1-13-02; and
   b. One individual appointed to represent the state at large.
2. Each elected member of the wheat commission must be a resident of the district that the member represents, a qualified elector, and a producer.
3. The member at large must be a resident of this state, a qualified elector, and a producer.
4. Any individual who requested a refund under section 4.1-13-18 during the twelve months preceding the date on which the term being sought would begin is not eligible to serve as a member of the commission.

4.1-13-04. Terms of office.

1. The term of each commission member is four years.
2. The term of an elected member begins on July first following the date of the member's election and continues until the member's successor has been elected and qualified. The term of the member at large begins on July first of the year in which the member is appointed and continues until the member's successor has been appointed.
3. The terms must be staggered so that no more than two expire each year.
4. An individual may not serve more than three terms as a commission member.
5. If an individual is appointed to complete a vacancy, that service is not counted as a term for purposes of this section unless the duration of that service exceeds one year.

4.1-13-05. Election of county representative.

1. No later than May first of the year in which the term of an elected commission member is to expire, the extension agent for each county in that member's district shall hold a meeting of producers for the purpose of electing a county representative.
2. The county extension agent shall publish notice of the meeting in the official newspaper of the county for two consecutive weeks. The last notice must be published no fewer than five nor more than ten days before the meeting.
3. The meeting must be held within the county.
4. During the meeting, the county extension agent shall conduct the election.
5. Any participating producer who resides in the county may vote in the election.
6. The county extension agent shall canvass the votes, notify the director of the North Dakota state university extension service and the commission that the election has taken place, and provide to the director and the commission the name and address of the newly elected county representative.
7. Only those individuals who would be qualified to serve as elected commission members may be elected as county representatives after July 31, 2009.
8. If an individual is unable or unwilling to continue serving as a county representative, the county extension agent may appoint another qualified producer to serve in that capacity, until the next county representative is elected in accordance with this section.

4.1-13-06. Election of district representative - Commission member.

1. Upon receiving the notice required by subsection 6 of section 4.1-13-05, the director of the North Dakota state university extension service shall call a meeting of all county representatives in the district represented by the member whose term is to expire.
2. The director shall notify each county representative in the district of the meeting, by registered mail, at least five days before the meeting.
3. The meeting must be held within the district.
4. At the meeting, the county representatives shall elect one from among themselves to serve as the commission member from that district.

5. The director shall notify the governor and the commission that the election has taken place and shall provide to the governor and the commission the name and address of the newly elected commission member.

4.1-13-07. County representative - Additional duties - Reimbursement of expenses. In addition to any other duties established in section 4.1-13-06, the commission may require county representatives to attend meetings for the purpose of promoting commission programs and to perform other duties as directed by the commission. The commission shall reimburse the expenses of county representatives who perform such additional duties in the same manner as that provided by law for state officials.

4.1-13-08. Election costs - Responsibility. All costs of holding county and district meetings and elections are the responsibility of the commission.

4.1-13-09. Member at large - Nominating commission - Appointment by governor.

1. No sooner than sixty days before the term of the commission's member at large is to expire, the agriculture commissioner, serving as the chairman, shall convene a nominating committee consisting of the following individuals:
   a. The agriculture commissioner;
   b. The director of the North Dakota agricultural experiment station;
   c. The president of the North Dakota crop improvement association;
   d. The president of the North Dakota farm bureau;
   e. The president of the North Dakota farmers union;
   f. The president of the North Dakota grain dealers association;
   g. The president of the North Dakota grain growers association;
   h. The director of the North Dakota state university extension service; and
   i. A resident of this state who is a member of, and selected by, the United States durum growers association.
2. The committee shall submit to the governor the names of three individuals who are qualified to serve as a member at large.
3. Before the member's term is to expire, the governor shall appoint one of the three individuals to serve as the member at large.
4. Any member of the nominating committee may appoint a designee to carry out the requirements of this section.

4.1-13-10. Commission vacancies.

1. The commission shall declare a member to be ineligible and the member's position vacant if the commission determines that the member no longer meets the qualifications set forth in section 4.1-13-03.
2. The commission may declare a member to be ineligible and the member's position vacant if the commission determines that the member has failed to attend two consecutive commission meetings.
3. If an elected commission member is declared by the commission to be ineligible or is otherwise unable to continue serving for the duration of the term to which the member was elected, the commission shall direct the county representatives to hold an election for the purpose of filling the vacancy. The election must be conducted in the same manner as that provided for under section 4.1-13-06.
4. If the commission member serving at large is declared by the commission to be ineligible or is otherwise unable to continue serving for the duration of the term to which the member was appointed, the commission shall direct the nominating committee to submit the names of three eligible individuals to the governor for the purpose of filling the vacancy. The appointment must be conducted in the same manner as that provided for under section 4.1-13-09.

4.1-13-11. Election of chairman - Meetings.

1. Annually, the commission shall elect one member to serve as the chairman and another to serve as the vice chairman.
2. The chairman shall call all meetings of the commission and shall call a special meeting of the commission within seven days when petitioned to do so by three commission members.
3. The commission shall meet at least once every calendar quarter.

4.1-13-12. Commission members - Compensation. Each member of the commission is entitled to receive compensation in the amount established by the commission, but not exceeding seventy-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the commission.

4.1-13-13. Commission - Powers.

1. The commission may:
   a. Expend moneys collected pursuant to this chapter for its administration;
   b. Employ, bond, and compensate necessary personnel;
   c. Accept gifts, grants, and donations of money, property, and services to carry out this chapter;
   d. Contract with any person for any purpose permitted under this chapter;
   e. Sue and be sued; and
   f. Do all things necessary and proper to enforce and administer this chapter.
2. The commission may not engage in a commercial business enterprise.

4.1-13-14. Commission - Duties.

1. The commission shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in efforts under the auspices of other state, regional, national, and international organizations.
2. The commission shall develop and disseminate information regarding the purpose of the wheat assessment and ways in which the assessment benefits wheat producers.

4.1-13-15. Assessment. An assessment at the rate of twelve mills per bushel [35.24 liters] by weight is imposed upon:

1. All wheat grown in this state, at the time of its sale;
2. All wheat delivered into this state, at the time of its sale; and
3. All wheat sold through commercial channels to a first purchaser in this state.

4.1-13-16. Collection of assessment - Records.

1. The first purchaser shall collect the assessment from the seller by deducting the assessment from the total price of the wheat being purchased. If the wheat is subject to a lien, pledge, or mortgage, the assessment must:
   a. Be deducted from the proceeds of the loan; or
   b. The claim must be secured and must be subject to adjustment at the time of settlement if the number of bushels [liters] is not accurately determined at the time of the lien, pledge, or mortgage.

2. At the time of the sale, the first purchaser shall provide a record of the transaction to the seller in the manner prescribed by the commission.

4.1-13-17. Submission of assessments. No later than thirty days after the conclusion of each calendar quarter, each first purchaser shall:

1. Complete and file with the commission a form prescribed by the commission; and
2. Forward to the commission all assessments collected by the first purchaser.

4.1-13-18. Refund of assessment - Form - Exception.

1. a. To receive a refund of any assessment paid in accordance with this chapter, a producer shall submit to the commission a written request for a refund application within sixty days after the date of the assessment or final settlement.

   b. The producer shall complete the refund application and return the application to the commission, together with a record of the assessment collected within ninety days after the date of the assessment or final settlement. The commission then shall refund the net amount of the assessment that had been collected.

   c. If a request for a refund is not submitted to the commission within the prescribed time period, the producer is presumed to have agreed to the assessment.

2. A producer is not entitled to a refund under this section unless the refundable amount meets or exceeds five dollars.
3. Notwithstanding subsection 1, a member of the wheat commission is not eligible to receive a refund under this section.

4.1-13-19. Reimbursement for double payments. Notwithstanding section 4.1-13-18, if a producer documents to the commission that the producer has paid the assessment more than once on the same wheat, the commission shall reimburse the producer for the double payment.

4.1-13-20. Expenditure of funds. The commission shall approve all expenditures made pursuant to this chapter. All expenditures must be recorded on vouchers approved by the commission.

4.1-13-21. Continuing appropriation. The commission shall forward all moneys received under this chapter to the state treasurer for deposit in the state wheat commission fund. All moneys in the state wheat commission fund are appropriated on a continuing basis to the commission to carry out this chapter.

4.1-13-22. Commission - Report to legislative assembly. At the time the commission presents the report required by section 4-24-10, the commission shall present a separate report detailing the nature and extent of the commission's efforts to address trade and domestic policy issues. The commission may invite other entities with which it has contracted to assist in the presentation.

4.1-13-23. Contract with trade associations. The commission shall expend an amount at least equal to that raised by two mills of the assessment provided for in section 4.1-13-15 to contract for activities related to domestic wheat policy issues, wheat production, promotion, and sales. The contracts may be with no more than two trade associations that are incorporated in this state and which have as their primary purpose the representation of wheat producers. The contracts must require that any trade association receiving money under this section pay from that money all dues required as a condition of the trade association's membership in any national trade association. The contracts must prohibit any trade association receiving money under this section from eliminating any dues required as a condition of membership in that trade association or from reducing such dues below the amount required for membership as of January 1, 2005.

4.1-13-24. Contract with trade associations - Report to legislative assembly. At the time the commission presents the report required by section 4-24-10, each trade association with which the commission has contracted under section 4.1-13-23 shall present a report detailing all activities in which the trade association engaged under the contract.

4.1-13-25. Legal counsel - Provision by attorney general. The attorney general shall provide legal counsel to the commission or designate an assistant for that purpose.

4.1-13-26. Penalty. Any person willfully violating this chapter is guilty of a class B misdemeanor.

SECTION 14. AMENDMENT. Section 36-04-10 of the North Dakota Century Code is amended and reenacted as follows:

36-04-10. Refusal or revocation of license. The department shall refuse to grant a license, or shall revoke a license which it has granted, when it is satisfied that:

1. The applicant or licensee has violated any of the laws of this state governing the handling, shipment, or transportation of livestock or wool;
2. The applicant or licensee has been guilty of deceit, fraud, dishonesty, forgery, or theft as a dealer in livestock or wool, or in dealing therein;
3. The applicant made or caused to be made any false entry or statement of fact in any application, financial statement, or report filed with the department under this chapter;
4. The applicant has failed to keep and maintain suitable records, which disclose all purchases and sales of livestock, or has refused, during reasonable hours, to allow any authorized agent of the department to have access to inspect and to copy any and all of such records relating to the dealer's business;
5. The applicant has failed or refused to furnish the information required under this chapter and as prescribed by the department;
6. The applicant has failed to notify the commissioner of the receipt of a nonsufficient funds check as required by section 36-04-07.1;
7. The applicant or licensee has failed to pay brand inspection fees or veterinarian fees as required by law;
8. The applicant or licensee has failed to collect beef promotion assessments pursuant to chapter ~~4-34~~ 4.1-03; or
9. The applicant or licensee has failed to pay for livestock purchased. Such failure includes the issuance of a check as payment for livestock purchased, when such check is returned unpaid with a notation that the payment has been refused because of nonsufficient funds.

SECTION 15. AMENDMENT. Section 36-04-10.1 of the North Dakota Century Code is amended and reenacted as follows:

36-04-10.1. Unlawful acts. It is a violation of this chapter for any applicant or licensee to:

1. Violate any of the laws of this state governing the handling, shipment, or transportation of livestock or wool;

2. Make or cause to be made any false entry or statement of fact in any application, financial statement, or report filed with the department under this chapter;
3. Fail to keep and maintain suitable records that disclose all purchases and sales of livestock or refuse, during reasonable hours, to allow any authorized agent of the department to have access to inspect and to copy any or all of such records relating to the dealer's business;
4. Fail or refuse to furnish the information required under this chapter as prescribed by the department;
5. Fail to notify the commissioner of the receipt of a nonsufficient funds check as required by section 36-04-07.1;
6. Fail to pay brand inspection fees or veterinarian fees as required by law;
7. Fail to collect beef promotion assessments pursuant to chapter ~~4-34~~ 4.1-03; or
8. Fail to pay for livestock purchased. Such failure includes the issuance of a check or payment for livestock purchased, when such check is returned unpaid with a notation that the payment has been refused because of nonsufficient funds.

SECTION 16. AMENDMENT. Section 36-05-13.2 of the North Dakota Century Code is amended and reenacted as follows:

36-05-13.2. Unlawful acts. It is a violation of this chapter for any auction market or person to:

1. Make or cause to be made any false entry or statement of fact in any application, financial statement, or report filed with the department under this chapter;
2. Fail to keep and maintain suitable records that disclose all purchases and sales of livestock or refuse, during reasonable hours, to allow any authorized agent of the department to have access to inspect and to copy any or all of such records relating to the dealer's business;
3. Fail or refuse to furnish the information required under this chapter as prescribed by the department;
4. Fail to notify the commissioner of the receipt of a nonsufficient funds check as required by section 36-05-09.1;
5. Fail to pay brand inspection fees or veterinarian fees as required by law;
6. Fail to collect beef promotion assessments pursuant to chapter ~~4-34~~ 4.1-03; or

7. Fail to pay for livestock purchased. Such failure includes the issuance of a check or payment for livestock purchased, when such check is returned unpaid with a notation that the payment has been refused because of nonsufficient funds.

SECTION 17. AMENDMENT. Subsection 1 of section 54-07-01.2 of the North Dakota Century Code is amended and reenacted as follows:

1. Notwithstanding sections 2-05-01, 4-18.1-04, ~~4-27-04~~ 4.1-05-02, 6-01-03, 6-09-02.1, 12-55.1-02, 12-59-01, 15-39.1-05.1, 15.1-01-01, 15.1-13-02, 20.1-02-23, 23-01-02, 23-25-02, 36-01-01, 37-18.1-01, 50-06-05.6, 50-06.1-16, 54-34.3-10, 54-54-02, 55-01-01, 55-06-01, 61-02-04, and 61-28-03, all members of the following boards and commissions must, subject to the limitations of this section, be considered to have resigned from such boards and commissions effective January first of the first year of each four-year term of the governor:
   a. The aeronautics commission.
   b. The milk marketing board.
   c. The dairy promotion commission.
   d. The state banking board.
   e. The state credit union board.
   f. The advisory board of directors to the Bank of North Dakota.
   g. The pardon advisory board.
   h. The state parole board.
   i. The state board of public school education.
   j. The education standards and practices board and the administrator's professional practices board.
   k. The board of trustees for the teachers' fund for retirement.
   l. The state game and fish advisory board.
   m. The health council.
   n. The air pollution control advisory council.
   o. The board of animal health.
   p. The administrative committee on veterans' affairs.
   q. The committee on aging.
   r. The committee on employment of people with disabilities.

s. The commission on the status of women.

t. The North Dakota council on the arts.

u. The state historical board.

v. The Yellowstone-Missouri Rivers confluence commission.

w. The state water commission.

x. The state water pollution control board.

SECTION 18. REPEAL. Chapters 4-10.1, 4-10.2, 4-10.3, 4-10.4, 4-10.5, 4-10.6, 4-10.7, 4-12.1, 4-13.1, 4-27, 4-28, and 4-34 of the North Dakota Century Code are repealed.