

**HOUSE BILL NO. 1282**

Introduced by

Representatives Brandenburg, Kempenich, Pollert

1 A BILL ~~for an Act to amend and reenact section 4-01-26 of the North Dakota Century Code,~~  
2 ~~relating to limitations on commodity groups~~ for an Act to provide for reports to the legislative  
3 management; and to provide for a legislative management study regarding agricultural  
4 commodity groups.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~**SECTION 1. AMENDMENT.** Section 4-01-26 of the North Dakota Century Code is amended~~  
7 ~~and reenacted as follows:~~

8 ~~**4-01-26. Commodity groups – Agriculture commissioner – Meetings – State agencies.**~~

9 ~~1. The agriculture commissioner may participate, as a nonvoting member, in any regular~~  
10 ~~or special meeting of a commodity group, including any executive session held by a~~  
11 ~~commodity group.~~

12 ~~2. Annually, the agriculture commissioner shall call a meeting of representatives from~~  
13 ~~each commodity group for the purpose of engaging in collaborative efforts to promote~~  
14 ~~and market agricultural commodities.~~

15 ~~3. For purposes of this section, "commodity group" means the:~~

16 ~~a. North Dakota barley council;~~

17 ~~b. North Dakota beef commission;~~

18 ~~c. North Dakota beekeepers association;~~

19 ~~d. North Dakota corn utilization council;~~

20 ~~e. North Dakota dairy promotion commission;~~

21 ~~f. North Dakota dry bean council;~~

22 ~~g. North Dakota dry pea and lentil council;~~

23 ~~h. North Dakota oilseed council;~~

24 ~~i. North Dakota potato council;~~

- 1 ~~\_\_\_\_\_ j. North Dakota soybean council;~~  
2 ~~\_\_\_\_\_ k. North Dakota turkey federation; and~~  
3 ~~\_\_\_\_\_ l. North Dakota wheat commission.~~  
4 ~~\_\_\_\_\_ 4. A commodity group is an executive branch state agency and must comply with all~~  
5 ~~state procurement laws and rules and office of management and budget guidelines~~  
6 ~~applicable to executive branch state agencies and institutions.~~  
7 ~~\_\_\_\_\_ 5. A commodity group may not:~~  
8 ~~\_\_\_\_\_ a. Contract with any person to perform any activity that is so intimately related to the~~  
9 ~~public interest as to mandate performance by a state officer or employee,~~  
10 ~~including the procurement or the expenditure of funds, or any activity that~~  
11 ~~requires the exercise of discretion in applying the authority of the state or the use~~  
12 ~~of judgment in making a decision for or otherwise binding the state;~~  
13 ~~\_\_\_\_\_ b. Delegate the duty to determine the uses for which moneys raised by or~~  
14 ~~appropriated to the commodity group are expended;~~  
15 ~~\_\_\_\_\_ c. Engage in a commercial business enterprise; or~~  
16 ~~\_\_\_\_\_ d. Contract with or employ any person that has a potential or actual conflict of~~  
17 ~~interest.~~  
18 ~~\_\_\_\_\_ 6. Upon the recommendation of the agriculture commissioner, the governor may~~  
19 ~~remove a member of a commodity group for cause.~~

#### **SECTION 1. REPORTS TO THE LEGISLATIVE MANAGEMENT - COMMODITY**

20 **GROUPS.** Before January 1, 2018, each commodity group shall report to the legislative  
21 management regarding the organizational structure and operations of the commodity group.  
22

23 Each report must include a description of:

- 24 1. The structure and staff of the organization and how the commodity group performs its  
25 responsibilities. The description must include the use of classified and unclassified  
26 state employees, temporary employees, contractors, paid and unpaid labor by the  
27 group, and hiring practices.
- 28 2. The major challenges currently facing the commodity group, including organizational  
29 structure challenges.

- 1       3. Any administrative rules, policies, procedures, guidelines, manuals, or other directives
- 2       developed by the commodity group to implement statutes and govern group
- 3       operations.
- 4       4. The relationship between the board and the producer organizations, including any
- 5       commercial business endeavors.
- 6       5. The process used to determine the use of monies raised by or appropriated to the
- 7       commodity group.
- 8       6. Contracts entered by the commodity group, including the procurement of goods and
- 9       services, partnership agreements, grants, and sponsorships.
- 10      7. Historical commodity group fiscal year cash flow and revenue trends.

11       **SECTION 2. LEGISLATIVE MANAGEMENT STUDY - COMMODITY GROUPS.** During the  
12 2017-18 interim, the legislative management shall consider studying commodity groups. The  
13 study must include a review of the commodity group reports under section 2 of this Act and the  
14 legislative history of each commodity group. The study must include receipt of input from the  
15 commodity groups, growers' associations, agriculture commissioner, attorney general's office,  
16 and the office of management and budget. The study must include a review of attorney general  
17 opinions related to commodity groups. The study may include a review of the structure of  
18 commodity groups in other states. The legislative management shall report its findings and  
19 recommendations, together with any legislation required to implement the recommendations, to  
20 the sixty-sixth legislative assembly.