

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 669*
Second Edition Engrossed 4/29/91
House Committee Substitute Favorable 6/28/91

Short Title: Pork Promotion Assessment.

(Public)

Sponsors:

Referred to:

April 17, 1991

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE A PORK PROMOTION ASSESSMENT.

3 The General Assembly of North Carolina enacts:

4 Section 1. Chapter 106 of the General Statutes is amended by adding a new
5 Article to read:

6 **“ARTICLE 66.**
7 **“PORK PROMOTION ASSESSMENT ACT.**

8 **“§ 106-790. Title.**

9 This Article shall be known as the ‘Pork Promotion Assessment Act.’

10 **“§ 106-791. Purpose.**

11 It is in the public interest for the State to enable producers of porcine animals to
12 assess themselves in order to raise funds to promote the interests of the pork industry.

13 **“§ 106-792. Definitions.**

14 The following definitions apply in this Article:

15 (1) Association. – The North Carolina Pork Producers Association, Inc., a
16 North Carolina nonprofit corporation.

17 (2) Buyer. – Any person engaged as (i) a commission merchant, (ii) an
18 auction market, or (iii) a livestock market in the business of receiving
19 porcine animals for sale on commission for or on behalf of a pork
20 producer.

21 (3) Department. – The North Carolina Department of Agriculture.

- 1 (4) Market. – To sell, slaughter for sale, or otherwise dispose of a porcine
2 animal in commerce.
- 3 (5) Person. – An individual, a partnership, a firm, or a corporation.
- 4 (6) Porcine animal. – Swine raised for seed stock, market hogs, or
5 slaughter.
- 6 (7) Pork producer. – A person who (i) is a North Carolina resident, (ii)
7 owns, manages, or has a financial interest in pork production, and (iii)
8 is actively involved in the production of porcine animals.

9 **"§ 106-793. Referendum.**

10 (a) The Association may conduct among pork producers a referendum upon the
11 question of whether an assessment shall be levied on porcine animals sold in this State.

12 (b) The Association shall determine:

13 (1) The amount of the proposed assessment.

14 (2) The time and place of the referendum.

15 (3) Procedures for conducting the referendum and counting of votes.

16 (4) Any other matters pertaining to the referendum.

17 (c) The amount of the proposed assessment shall be stated on the referendum
18 ballot. The amount may not exceed five cents (5¢) for each porcine animal sold in this
19 State. If the assessment is approved in the referendum, the Association may set the
20 assessment at an amount equal to or less than the amount stated on the ballot. If the
21 Association sets a lower amount than the amount approved by referendum, it may
22 increase the amount annually without a referendum by no more than one cent (1¢) for
23 each porcine animal. The increased rate may not exceed the amount approved by
24 referendum and may not exceed the maximum allowable rate of five cents (5¢) for each
25 porcine animal.

26 (d) All pork producers may vote in the referendum. Any dispute over eligibility
27 to vote or any other matter relating to the referendum shall be determined by the
28 Association. The Association shall make reasonable efforts to provide pork producers
29 with notice of the referendum and an opportunity to vote.

30 **"§ 106-794. Payment and collection of assessment.**

31 (a) The assessment shall not be collected unless more than half of the votes cast
32 in the referendum are in favor of the assessment. If more than half of the votes cast in
33 the referendum are in favor of the assessment, then the Association shall notify the
34 Department of the amount of the assessment and the effective date of the assessment.
35 The Department shall notify all buyers and pork producers of the assessment.

36 (b) Each pork producer must pay an assessment on each porcine animal sold to a
37 buyer.

38 (c) A buyer of a porcine animal shall collect the assessment when buying a
39 porcine animal by deducting the assessment from the price paid for the animal. The
40 buyer shall remit collected assessments to the Department no later than the 10th day of
41 the following month. The Department shall provide forms to buyers for reporting the
42 assessment. If the total assessments collected by a buyer in a month are less than
43 twenty-five dollars (\$25.00), the buyer may keep the assessments until the total amount
44 due is at least twenty-five dollars (\$25.00) or the end of the quarter, whichever comes

1 first. All buyers shall file at least one report in each calendar quarter, regardless of the
2 amount due.

3 (d) A buyer of porcine animals shall keep records of the number of porcine
4 animals purchased and the date purchased. All information or records regarding
5 purchases of porcine animals by individual buyers shall be kept confidential by
6 employees or agents of the Department and the Association, and shall not be disclosed
7 except by court order.

8 (e) The Association may bring an action to recover any unpaid assessments, plus
9 the reasonable costs, including attorney fees, incurred in the action.

10 **"§ 106-795. Use of assessments; Refunds.**

11 (a) The Department shall remit all funds collected under this Article to the
12 Association at least monthly. The Association shall use the funds to promote the
13 interests of the pork industry. In order to prevent duplication of effort, these funds shall
14 not be used for activities funded under 7 U.S.C. Chapter 79, Pork Promotion, Research,
15 and Consumer Information.

16 (b) A pork producer may request a refund of an assessment deducted from the
17 sales price of a porcine animal sold by the producer by submitting a written request for a
18 refund to the Association within 30 days after the buyer of the animal collected the
19 assessment. A refund request must be accompanied by proof of payment of the
20 assessment satisfactory to the Association. The Association shall mail a refund to the
21 producer within 30 days of receipt of a properly documented refund request.

22 **"§ 106-796. Termination of assessment.**

23 Upon receipt of a petition signed by at least ten percent (10%) of the pork producers
24 in North Carolina known to the Association, the Department shall notify the
25 Association, and the Association shall, within six months, conduct a referendum upon
26 the question of continuing the assessment. If a majority of the votes cast in the
27 referendum are against continuing the assessment, or if the Association fails to conduct
28 a referendum within the six-month period, the assessment expires at the end of the six-
29 month period. If a majority of the votes cast in the referendum are in favor of
30 continuing the assessment, then no subsequent referendum shall be held for at least
31 three years."

32 Sec. 2. G.S. 106-550 reads as rewritten:

33 **"§ 106-550. Policy as to promotion of use of, and markets for, farm products.**

34 It is declared to be in the interest of the public welfare that the North Carolina
35 farmers who are producers of livestock, poultry, field crops and other agricultural
36 products, including cattle, ~~swine~~, sheep, broilers, turkeys, commercial eggs, peanuts,
37 cotton, potatoes, peaches, apples, berries, vegetables and other fruits of all kinds, as well
38 as bulbs and flowers and other agricultural products having a domestic or foreign
39 market, shall be permitted and encouraged to act jointly and in cooperation with
40 growers, handlers, dealers and processors of such products in promoting and
41 stimulating, by advertising and other methods, the increased production, use and sale,
42 domestic and foreign, of any and all of such agricultural commodities. The provisions of
43 this Article, however, shall not include the agricultural products of tobacco,

- 1 strawberries, ~~or~~ strawberry plants, or porcine animals, with respect to which separate
2 provisions have been made."
3 Sec. 3. This act is effective upon ratification.