

HOUSE BILL NO. 1501

Introduced by

Representative Beltz

1 A BILL ~~for an Act to amend and reenact subsection 1 of section 4.1-11-01 and sections-~~
2 ~~4.1-11-08, 4.1-11-10, 4.1-11-11, 4.1-11-12, 4.1-11-13, 4.1-11-14, and 4.1-11-15 of the North-~~
3 ~~Dakota Century Code, relating to the North Dakota soybean council; and to provide an effective~~
4 ~~date.~~ for an Act to create and enact a new section to chapter 54-10 of the North Dakota Century
5 Code, relating to state audits of commodity groups; and to amend and reenact subsection 2 of
6 section 4.1-44-04 of the North Dakota Century Code, relating to the presentation of state audit
7 reports.

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

9 ~~— **SECTION 1. AMENDMENT.** Subsection 1 of section 4.1-11-01 of the North Dakota Century~~
10 ~~Code is amended and reenacted as follows:~~

11 ~~— 1. "Council" means the nongovernmental entity, known as the North Dakota soybean~~
12 ~~council.~~

13 ~~— **SECTION 2. AMENDMENT.** Section 4.1-11-08 of the North Dakota Century Code is~~
14 ~~amended and reenacted as follows:~~

15 ~~— **4.1-11-08. Council members -- Compensation.**~~

16 ~~— Each member of the council is entitled to receive compensation in the amount established~~
17 ~~by the council but not exceeding one hundred thirty-five dollars per day plus reimbursement for~~
18 ~~expenses as provided by law for state officers if the member is attending meetings or~~
19 ~~performing duties directed by the council.~~

20 ~~— **SECTION 3. AMENDMENT.** Section 4.1-11-10 of the North Dakota Century Code is~~
21 ~~amended and reenacted as follows:~~

22 ~~— **4.1-11-10. Council duties and reports.**~~

23 ~~— 1. The council shall develop policies and initiate programs to promote the development of~~
24 ~~markets for and increase the utilization of soybeans grown in this state.~~

1 — ~~2.~~ The council shall develop and disseminate information regarding the purpose of the
2 soybean assessment and ways in which the assessment benefits soybean producers.

3 — ~~3.~~ The council shall determine the uses for which any moneys raised under this chapter
4 may be expended. The uses may include the funding of research, education
5 programs, and market development efforts, as well as participation in programs under
6 the auspices of national soybean promotion organizations.

7 — ~~4.~~ Annually, the council shall prepare and submit a report summarizing the activities of
8 the council to the state auditor and the commissioner. The report must show all
9 income, expenses, and other relevant information concerning fees collected and
10 expended.

11 — ~~5.~~ The council shall request and submit a certificate of good standing, issued by the
12 secretary of state, as part of the report described in subsection 4.

13 — **SECTION 4. AMENDMENT.** Section 4.1-11-11 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 — **4.1-11-11. Assessment.**

16 — ~~Unless a federal assessment under the Soybean Promotion, Research, and Consumer~~
17 ~~Information Act [Pub. L. 101-624; 104 Stat. 3881; 7 U.S.C. 92 et seq.] or similar act remains in~~
18 ~~place, a state assessment under this section is prohibited. If the Soybean Promotion, Research,~~
19 ~~and Consumer Information Act [Pub. L. 101-624; 104 Stat. 3881; 7 U.S.C. 92 et seq.] or similar~~
20 ~~act eliminates a federal assessment, the council shall implement a state assessment equaling~~
21 ~~one-half of one percent of the value of the sale must be imposed upon all soybeans sold to a~~
22 ~~designated handler.~~

23 — **SECTION 5. AMENDMENT.** Section 4.1-11-12 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 — **4.1-11-12. Collection of assessment by designated handler -- Records.**

26 — ~~1.~~ If an assessment is in place under section 4.1-11-11:

27 — ~~1.~~ Each designated handler shall collect the assessment from the seller by deducting the
28 assessment from the purchase price of all soybeans subject to the assessment.;

29 — ~~2.~~ Each designated handler shall keep all records regarding the quantity of soybeans
30 received and assessed for a period of three years.; and

31 — ~~3.~~ All records required by this section may be examined by the council upon request.

1 ~~— **SECTION 6. AMENDMENT.** Section 4.1-11-13 of the North Dakota Century Code is~~
2 ~~amended and reenacted as follows:~~

3 ~~— **4.1-11-13. Quarterly report – Submission to council.**~~

4 ~~— At the time and in the manner prescribed by the council, each designated handler shall file~~
5 ~~with the council a quarterly report stating the quantity of all soybeans that the handler~~
6 ~~purchased and assessed under section 4.1-11-11.~~

7 ~~— **SECTION 7. AMENDMENT.** Section 4.1-11-14 of the North Dakota Century Code is~~
8 ~~amended and reenacted as follows:~~

9 ~~— **4.1-11-14. Submission of assessments – Civil penalty**Delinquent assessment.~~

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

15 ~~— **SECTION 8. AMENDMENT.** Section 4.1-11-15 of the North Dakota Century Code is~~
16 ~~amended and reenacted as follows:~~

17 ~~— **4.1-11-15. Continuing appropriation**Use of council funds.~~

18 ~~— The council shall forward all~~All ~~moneys received under this chapter to the state treasurer for~~
19 ~~deposit~~must be deposited ~~in the soybean fund. All moneys in the soybean fund are appropriated~~
20 ~~on a continuing basis to the council to~~account at the Bank of North Dakota and may be used
21 ~~exclusively to carry out~~by the council for the payment of claims by the council based upon
22 ~~obligations incurred in the performance of council activities, functions, and purposes as~~
23 ~~provided in this chapter. The board shall segregate moneys in the soybean checkoff account~~
24 ~~from all other moneys of the council.~~

25 ~~— **SECTION 9. EFFECTIVE DATE.** This Act becomes effective on July 1, 2024.~~

26 **SECTION 1. AMENDMENT.** Subsection 2 of section 4.1-44-04 of the North Dakota Century
27 Code is amended and reenacted as follows:

- 28 2. The presiding officer of each house of the legislative assembly may direct the reports
29 be filed with some other standing committee of that house. Each report must contain a
30 summary of the activities of the commodity group during the current biennium, and a
31 single-page uniform statement of revenues and expenditures for the next biennium.

1 Each report, except the reports of the North Dakota beekeepers association and the
2 North Dakota turkey federation, also must include ~~a state~~an auditor's report on the
3 commodity group's single-page uniform statement of revenues and expenditures for
4 the previous two fiscal years or an annual federal financial statement audit required
5 due to a federally mandated checkoff associated with the group's national association.

6 **SECTION 2.** A new section to chapter 54-10 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Commodity groups - Certain groups exempt.**

9 A commodity group required to present a state auditor's report under section 4.1-44-04 is
10 exempt from this chapter if the commodity group is subject to a federal audit due to a federally
11 mandated checkoff associated with the group's national association.