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Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1436

Introduced by

Representatives Beltz, D. Anderson, Kempenich, Nelson, Schreiber-Beck, Weisz
Senators Piepkorn, Weber, Weston

1 A BILL for an Act to create and enact four new sections to chapter 4.1-03 of the North Dakota
2 Century Code, relating to the creation of beef commission districts, the selection of commission
3 members, and the referral of cattle assessments; to amend and reenact sections 4.1-03-01,
4 4.1-03-02, 4.1-03-03, 4.1-03-04, and 4.1-03-12 of the North Dakota Century Code, relating to
5 the definition of a cattle industry representative, the election and terms of members to the North
6 Dakota beef commission, and requiring livestock auction markets and livestock dealers to
7 forward names of cattle sellers; and to provide an effective date.

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

9 **SECTION 1. AMENDMENT.** Section 4.1-03-01 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **4.1-03-01. Definitions.**

12 As used in this chapter:

- 13 1. "Beef producer" means any person that has an ownership interest in cattle.
- 14 2. "Cattle" means live domesticated bovine animals.
- 15 3. "Cattle feeder" means a person in the business of feeding cattle for the purpose of
16 adding weight to the cattle prior to slaughter.
- 17 4. "Cattle industry representative" means an individual who ~~has been~~ is a beef producer,
18 cattle feeder, dairy producer, or representative of a public livestock market in this state.
- 19 5. "Commission" means the North Dakota beef commission.
- 20 ~~5-6.~~ "Dairy producer" means any person in the business of producing and selling milk from
21 cows.
- 22 ~~6-7.~~ "Livestock auction market" means a public market or private buying station in which
23 livestock is offered for sale or sold.

1 ~~7.8.~~ "Livestock dealer" means a person that purchases cattle and is required to be licensed
2 under chapter 36-04.

3 ~~8.9.~~ "Participating producer" means a producer that has not obtained a refund of any
4 assessment paid on the sale of cattle under this chapter for the preceding three years.

5 10. "Public livestock market" means a livestock auction market, public market, or private
6 buying station in which livestock is offered for sale, auctioned, or sold and which is
7 required to be licensed under chapter 4.1-27 or 4.1-28.

8 **SECTION 2. AMENDMENT.** Section 4.1-03-02 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **4.1-03-02. North Dakota beef commission - Membership - Qualifications.**

11 ~~1.~~ The North Dakota beef commission consists of:

- 12 a. ~~Three beef producers;~~
- 13 b. ~~One cattle feeder;~~
- 14 c. ~~One dairy producer;~~
- 15 d. ~~One representative of a public livestock market; and~~
- 16 e. ~~Three at-large representatives.~~

17 ~~2.~~ The governor shall appoint:

- 18 a. ~~Each beef producer from a list of at least two names submitted by the North~~
19 ~~Dakota stockmen's association;~~
- 20 b. ~~The cattle feeder from a list of at least two names submitted by the North Dakota~~
21 ~~stockmen's association feeder council;~~
- 22 c. ~~The dairy producer from a list of at least two names submitted by the milk-~~
23 ~~producers association of North Dakota;~~
- 24 d. ~~The representative of a public livestock market from a list of at least two names~~
25 ~~submitted by the North Dakota livestock marketing association; and~~
- 26 e. ~~The three at-large representatives.~~

27 ~~3.~~ a. The commission consists of one cattle industry representative elected from each
28 of the nine districts listed in section 6 of this Act. The commission chair, vice-chair, and
29 secretary-treasurer serving on December 31, 2023, may continue to serve in those positions as
30 provided under section 4.1-03-03.

31 1. Each member of the commission must:

- 1 (1)a. Be a United States citizen and a resident of this state;
- 2 (2)b. Be a resident of the district the member represents; and
- 3 c. Be ~~an~~ actively engaged ~~in that phase of the~~ cattle industry the member
4 represents; and
- 5 (3) ~~Have been actively engaged in that phase of the cattle industry for a period~~
6 ~~of five years~~representative.
- 7 b-2. Each member of the commission, ~~except~~unless the member is a representative of a
8 public livestock market, must be a participating producer.
- 9 e-3. For purposes of this ~~subsection~~section, "actively engaged" means that the individual:
- 10 (1)a. Has an ownership interest in ~~an~~the cattle operation that qualifies the individual as
11 a cattle industry representative and which is of sufficient scope and significance
12 as to constitute a distinct activity; and
- 13 (2)b. Has and regularly exercises direct control of the cattle operation for the preceding
14 three years.

15 **SECTION 3. AMENDMENT.** Section 4.1-03-03 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **4.1-03-03. Term of office.**

- 18 1. ~~The~~Except as otherwise provided in this section, the term of office for each member is
19 three years and begins on July first. The terms must be staggered so that no more
20 than three terms expire each year.
- 21 2. The terms of all commission members, except the commission chair, vice-chair, and
22 secretary-treasurer, serving on ~~December 31, 2023~~June 30, 2024, expire on
23 ~~December 31, 2023~~June 30, 2024.
- 24 a. The commission chair, serving on December 31, 2023, represents district six, as
25 established under section 6 of this Act, for a ~~two-year~~ term expiring on
26 ~~December 31, 2025~~June 30, 2026.
- 27 b. The commission vice-chair serving on December 31, 2023, represents district
28 five, as established by section 6 of this Act, for a ~~three-year~~ term expiring on
29 ~~December 1, 2026~~June 30, 2027.

- 1 c. The commission secretary-treasurer serving on December 31, 2023, represents
2 district nine, as established by section 6 of this Act, for a ~~one-year~~ term expiring
3 on ~~December 31, 2024~~June 30, 2025.
- 4 3. Between October 1, 2023, and December 31, 2023, districts one, two, three, four,
5 seven, and eight, as established under section 6 of this Act, each shall elect a
6 commission member with a term beginning ~~January 1, 2024~~July 1, 2024. The initial
7 terms of individuals elected to begin serving as commission members on ~~January 11,~~
8 ~~2024~~July 1, 2024, are:
- 9 a. One year for commission members representing districts one and two;
10 b. Two years for commission members representing districts three and seven; and
11 c. Three years for commission members representing districts four and eight.
- 12 4. Between October 1, 2023, and December 31, 2023, before the pending expiration of
13 the terms of the chair, vice-chair, and secretary-treasurer serving on December 31,
14 2023, and the expiration of each initial term of the individuals elected to begin serving
15 as commission members on ~~January 1, 2024~~July 1, 2024, and thereafter before the
16 expiration of a commission member's term, the respective district shall elect an
17 individual to serve as a commission member to represent that district in the
18 succeeding term.
- 19 5. ~~A member of the commission may not serve more than two consecutive terms. If an~~
20 ~~individual is appointed after August 1, 2009, to complete a vacancy, that service is not~~
21 ~~counted as a term, for purposes of this section, unless the duration of that service~~
22 ~~exceeds one year.~~The service of the initial term of one year beginning ~~January 1,~~
23 ~~2024~~July 1, 2024, under subsection 3 for commission members of districts one and
24 two may not be counted for purposes of this subsection.

25 **SECTION 4. AMENDMENT.** Section 4.1-03-04 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **4.1-03-04. Vacancy.**

28 ~~If a member's office is vacant, the position must be filled, for the remainder of the term, in~~
29 ~~the same manner as the original appointment. A member's office is vacant if:~~

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

- 1 2- Any event enumerated in section ~~44-02-01~~ occurs; or
2 3- ~~The commission determines that a member has failed to attend three consecutive~~
3 ~~meetings of the commission without justification~~If at any time during a commission
4 member's term the member ceases to possess the qualifications to hold office or a
5 vacancy otherwise occurs, the commission, by majority vote, shall appoint another
6 qualified cattle industry representative for the remainder of the term. If an individual is
7 appointed by the commission to complete a vacancy, that service is not counted as a
8 term for purposes of section 4.1-03-03, unless the duration of that service exceeds
9 one year.

10 **SECTION 5. AMENDMENT.** Section 4.1-03-12 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **4.1-03-12. Collection of assessment.**

- 13 1. Each livestock auction market and livestock dealer shall:
14 a. Collect the assessments due under this chapter by deducting the assessments
15 from any credit given or payment made to the seller of the cattle, at the time of
16 the transaction; ~~and~~
17 b. Forward the assessments to the commission in accordance with section
18 4.1-03-13; ~~and~~
19 c. Provide the name and address of the seller of the cattle to the commission.
20 2. a. If a person sells North Dakota cattle outside this state or if a person sells North
21 Dakota cattle to an out-of-state buyer, the person shall forward any assessments
22 due under this chapter to the commission in accordance with section 4.1-03-13.
23 b. This subsection does not apply if the assessment has been paid to a brand
24 inspector in another state or to another qualified state beef council.
25 3. Any other person selling cattle in this state shall forward any assessments due under
26 this chapter to the commission in accordance with section 4.1-03-13.

27 **SECTION 6.** A new section to chapter 4.1-03 of the North Dakota Century Code is created
28 and enacted as follows:

29 **Geographical districts.**

30 The state consists of the following districts:

- 1 1. District one: Barnes, Cass, Cavalier, Eddy, Foster, Grand Forks, Griggs, Nelson,
- 2 Pembina, Ramsey, Steele, Towner, Traill, and Walsh Counties;
- 3 2. District two: Dickey, LaMoure, McIntosh, Ransom, Richland, and Sargent Counties;
- 4 3. District three: Kidder, Logan, and Stutsman Counties;
- 5 4. District four: Burleigh, Emmons, Sheridan, and Wells Counties;
- 6 5. District five: Benson, Bottineau, McHenry, Pierce, Renville, and Rollette Counties;
- 7 6. District six: Burke, Divide, McKenzie, McLean, Mountrail, Ward, and Williams
- 8 Counties;
- 9 7. District seven: Billings, Dunn, Golden Valley, Oliver, and Mercer Counties;
- 10 8. District eight: Adams, Bowman, Hettinger, Slope, and Stark Counties; and
- 11 9. District nine: Grant, Morton, and Sioux Counties.

12 **SECTION 7.** A new section to chapter 4.1-03 of the North Dakota Century Code is created
13 and enacted as follows:

14 **Director of the North Dakota state university extension service - Nomination and**
15 **election of district commission candidates.**

- 16 1. a. The director of the North Dakota state university extension service or the
17 director's designee shall oversee district representative commission member
18 nominations and elections. The director may compile a list and determine eligible
19 voters from public livestock markets, the commission, or other means necessary.
- 20 b. Between October first and December thirty-first of each year, the director shall
21 conduct the nominating and election process to elect successors for districts with
22 terms expiring that fiscal year.
- 23 c. The director shall notify, by mail or electronic means, no fewer than forty-five nor
24 more than sixty days before the district representative commission election, all
25 known cattle industry representatives in the respective district and request
26 nominations for district representative commission candidates.
- 27 d. To be eligible as a candidate in a district commission election, at least five cattle
28 industry representatives who reside in the district must nominate the candidate in
29 writing. A cattle industry representative may not self-nominate.
- 30 e. Upon receiving the district commission nominations, the director shall certify that
31 nominated candidates meet the requirements of section 4.1-03-02. The director

- 1 shall prepare the election ballots with the names of the certified nominated district
2 commission candidates. Each ballot also must include a statement indicating:
3 (1) The date, time, and location the director will open the ballots and tabulate
4 the results;
5 (2) The last date by which the ballots must be postmarked or filed with the
6 director; and
7 (3) Any cattle industry representative in the district may be present at the time
8 the ballots are opened and tabulated.
9 f. The director shall hold the district commission election by mail paper ballot. The
10 director shall mail the ballots to each known cattle industry representative in the
11 district at least thirty days before the election.
12 g. The director shall canvass the votes. The director shall notify the commission and
13 the governor that the election has taken place, and provide to the commission
14 and the governor the name and address and term of the newly elected district
15 representative commission member.
16 2. If the cattle industry representatives in a district fail to elect an individual, as required
17 by this section, the director shall notify the commission and the governor. The
18 governor shall appoint a cattle industry representative who meets the requirements of
19 section 4.1-03-02 to serve as the district commission member for the district.

20 **SECTION 8.** A new section to chapter 4.1-03 of the North Dakota Century Code is created
21 and enacted as follows:

22 **Election costs - Responsibility.**

23 All costs of holding district commission member nominations and elections under section 6
24 of this Act are the responsibility of the commission.

25 **SECTION 9.** A new section to chapter 4.1-03 of the North Dakota Century Code is created
26 and enacted as follows:

27 **Referendums - Assessments.**

- 28 1. If petitioned by at least fifteen percent of the cattle industry representatives of the
29 state, the commission shall conduct a referendum among the cattle industry
30 representatives to determine the amount by which the assessment imposed under
31 section 4.1-03-11 should be adjusted.

- 1 2. No more than fifty percent of the cattle industry representatives who signed the
2 petition may reside in the same district.
- 3 3. The commission shall hold an assessment referendum by mail paper ballot. The
4 commission shall prepare the ballots with the petitioned amount by which the
5 assessment imposed under section 4.1-03-11 is proposed to be adjusted and
6 distribute the ballots to each cattle industry representative at least thirty days before
7 the last date for filing ballots.
- 8 4. Each ballot must include a statement indicating:
 - 9 a. The date the petition was filed and the number of signatures on the petition;
 - 10 b. The date, time, and location the commission will open the ballots and tabulate the
11 results;
 - 12 c. The last date by which the ballots must be postmarked or filed with the
13 commission; and
 - 14 d. Any cattle industry representative may be present at the time the ballots are
15 opened and tabulated.
- 16 5. The date selected by the commission for the opening and tabulation of the ballots
17 must be at least five days after the date by which the ballots must be postmarked or
18 filed with the commission.
- 19 6. The commission shall canvass the votes. If the majority of voting cattle industry
20 representatives vote in favor of the proposed change, the commission shall submit a
21 bill to the next legislative assembly to propose amending the statutory assessment in a
22 manner consistent with the results of the vote.
- 23 7. All costs of holding an assessment referendum under this section are the responsibility
24 of the commission.

25 **SECTION 10. EFFECTIVE DATE.** Section 2 of this Act becomes effective on January 1,
26 2024.