

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

# A Bill

SENATE BILL 430

5 By: Senators D. Wyatt, Crumbly, Elliott, S. Flowers, Salmon, J. Taylor  
6 By: Representatives McLean, S. Meeks, H. Wilkins  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE ASSESSMENT ON THE SALE OF RICE;  
10 TO REQUIRE THE BUYER TO COLLECT AND REMIT THE  
11 ASSESSMENT; TO PROVIDE FOR THE USE OF THE COLLECTED  
12 ASSESSMENTS AND CONSIDERATION OF PRODUCER  
13 PREFERENCES; TO PROVIDE A PENALTY FOR ANY UNDUE  
14 INFLUENCE BY A BUYER; AND FOR OTHER PURPOSES.  
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## Subtitle

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18 TO AMEND THE ASSESSMENT ON THE SALE OF  
19 RICE; TO REQUIRE THE BUYER TO COLLECT AND  
20 REMIT THE ASSESSMENT; TO PROVIDE FOR THE  
21 USE OF THE COLLECTED ASSESSMENTS AND  
22 CONSIDERATION OF PRODUCER PREFERENCES.  
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24  
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 2-20-507 is amended to read as follows:  
28 2-20-507. Assessments on grown rice.

29 (a) There ~~are~~ is imposed and levied+

30 ~~(1) An an~~ an assessment at the rate of ~~one and thirty-five~~  
31 ~~hundredths cents (1.35¢)~~ two and seven-tenths cents (2.7¢) per bushel to be  
32 paid by the ~~buyer~~ producer at the first point of sale, whether within or  
33 without the state, on rice grown within the state or at the point the rice  
34 enters into the United States Department of Agriculture loan program; ~~and~~

35 ~~(2) An assessment at the rate of one and thirty-five hundredths~~  
36 ~~cents (1.35¢) per bushel to be paid by the producer on all rice grown within~~



1 ~~this state.~~

2 (b)(1)(A) The assessment imposed and levied by subsection (a) of this  
 3 section shall be collected by the Director of the Department of Finance and  
 4 Administration from the buyer of rice at the first point of sale or at the  
 5 point the rice enters into the United States Department of Agriculture loan  
 6 program.

7 (B) The buyer of rice shall remit the assessment collected  
 8 under subdivision (b)(1)(A) of this section to the Director of the Department  
 9 of Finance and Administration on the form prepared by the director for that  
 10 submission.

11 (2) The form for the remittance by the buyer of rice under  
 12 subdivision (b)(1) of this section shall show:

13 (A) The total amount of assessments collected by the rice  
 14 buyer during the month; and

15 (B) The producer's preference for disbursements under  
 16 subdivision (d)(2)(B) of this section to either the USA Rice Federation or  
 17 the US Rice Producers Association or no preference.

18 (3) The director shall provide the Arkansas Rice Research and  
 19 Promotion Board with a monthly report summarizing the producers' preferences  
 20 for disbursements under subdivision (d)(2)(B) of this section.

21 (4) The buyer of rice shall provide the Arkansas Rice Research  
 22 and Promotion Board with a monthly report containing the:

23 (A) Name of each rice producer from whom the buyer  
 24 collected an assessment under this section; and

25 (B) Each producers' preference under subdivision (b)(2)(B)  
 26 of this section.

27 (c)(1) The proceeds of the assessment, less not more than three  
 28 percent (3%) to cover the cost of collections, shall be deposited by the  
 29 director with the Treasurer of State in a special fund to be established for  
 30 the Arkansas Rice Research and Promotion Board to the credit of the board the  
 31 Arkansas Rice Research and Promotion Fund, § 19-6-451.

32 (2) ~~Disbursement shall be made~~ The Treasurer of State shall make  
 33 a disbursement from the fund only upon a motion ~~and~~ passed by the board and  
 34 presented to the Treasurer of State and only for a purpose prescribed in this  
 35 subchapter.

36 (d)(1) The funds derived from the assessment ~~paid by a buyer at the~~

1 ~~first point of sale~~ shall be used for:

2 ~~(A) Market development and promotion;~~

3 ~~(B) Basic administration expenses; and~~

4 ~~(C) Defraying the costs of referenda that the board may~~  
5 ~~refer to buyers of rice~~ the board's administrative expenses and operational  
6 costs.

7 ~~(2) The funds derived from the assessment paid by a producer~~  
8 ~~shall be used for:~~

9 ~~(A) Rice extension and rice research;~~

10 ~~(B) Basic administration expenses; and~~

11 ~~(C) Defraying the costs of referenda that the board may~~  
12 ~~refer to producers of rice.~~

13 (2) After paying the expenses and costs under subdivision (d)(1)  
14 of this section, the board shall expend the remaining funds as follows:

15 (A) Fifty percent (50%) on rice research; and

16 (B)(i) Fifty percent (50%) on the promotion and market  
17 development of rice in a manner consistent with the producers' allocation  
18 preferences as reflected in the director's reports to the board under  
19 subdivision (b)(3) of this section.

20 (ii) If the director's reports to the board under  
21 subdivision (b)(3) of this section reflect no producer preference for a  
22 portion of the disbursement to be made under subdivision (d)(2)(B)(i) of this  
23 section, the board shall allocate that portion between the USA Rice  
24 Federation and the US Rice Producers Association in the same proportion as  
25 the allocation was made under subdivision (d)(2)(B)(i) of this section.

26 ~~(3)(e)~~ Funds spent under subdivisions (d)(1) and (2) subdivision  
27 (d)(2) of this section may be applied within or without Arkansas, including  
28 regional, national, and international applications.

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30 SECTION 2. Arkansas Code § 2-20-504(a)(1), concerning penalties on  
31 rice buyers, is amended to read as follows:

32 (a)(1) Any buyer who:

33 (A) fails ~~Fails~~ to file a report or pay any assessment  
34 within the required time set by the Director of the Department of Finance and  
35 Administration shall forfeit to the director a penalty of five percent (5%)  
36 of the assessment determined to be due plus one percent (1%) for each month

1 of delay, or fraction of a month, after the first month after the report was  
2 required to be filed or the assessment became due; and

3 (B) Uses undue influence on a rice producer regarding the  
4 selection of the rice producer's preference for disbursement under § 2-20-  
5 507(b)(2)(B) shall be assessed a penalty of one hundred dollars (\$100).

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