

By: Senator(s) Hyde-Smith, Lee (35th)

To: Agriculture;  
Appropriations

SENATE BILL NO. 2871

1 AN ACT TO CREATE THE CORN PROMOTION BOARD; TO PROVIDE FOR AN  
2 ASSESSMENT ON CORN PRODUCED IN THE STATE; TO CREATE A SPECIAL FUND  
3 FOR SUCH ASSESSMENT; TO PROVIDE FOR METHOD OF COLLECTION AND  
4 DISBURSEMENT OF THE ASSESSMENT; TO PRESCRIBE CONDITIONS AND  
5 PURPOSES FOR WHICH THE ASSESSMENT MAY BE EXPENDED; TO PRESCRIBE  
6 DUTIES OF THE DEPARTMENT OF AGRICULTURE AND COMMERCE RELATED TO  
7 THE CORN PROMOTION BOARD; TO PROVIDE A PENALTY FOR FAILURE TO PAY  
8 THE ASSESSMENTS; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** The purpose of this chapter is to promote the  
11 growth and development of the corn industry in Mississippi by  
12 research, advertisement promotions and education and market  
13 development, thereby promoting the general welfare of the people  
14 of this state.

15 For purposes of this chapter:

16 (a) "Board" means the Mississippi Corn Promotion Board.

17 (b) "Department" means the Mississippi Department of  
18 Agriculture and Commerce.

19 **SECTION 2.** (1) The Mississippi Corn Promotion Board is  
20 hereby created, to be composed of twelve (12) members to be  
21 appointed by the governor to serve terms of three (3) years. All  
22 of the twelve (12) members of the board shall be producers of corn  
23 in the State of Mississippi. Within ten (10) days following the  
24 effective date of this chapter, the Mississippi Farm Bureau  
25 Federation, Inc., the Mississippi Feed and Grains Association, the  
26 Mississippi Corn Growers Association and the Delta Council shall  
27 each submit the names of six (6) corn producers to the Governor,  
28 and he shall appoint three (3) members from the nominees of each  
29 organization to serve on the board on rotating three-year terms.  
30 The original board shall be appointed with members of each of the

31 organizations appointed as follows: one (1) for one (1) year, one  
32 (1) for two (2) years, and one (1) for three (3) years. Each year  
33 thereafter, not less than thirty (30) days prior to the expiration  
34 of the terms of expiring board members, the organizations shall  
35 submit the names of three (3) nominees to the Governor and  
36 succeeding boards shall be appointed by the Governor in the same  
37 manner, giving equal representation to each organization.  
38 Vacancies which occur shall be filled in the same manner as the  
39 original appointments were made.

40 (2) The members of the board shall meet and organize  
41 immediately after their appointment, and shall elect a chairman,  
42 vice chairman and secretary-treasurer from the membership of the  
43 board, whose duties shall be those customarily exercised by such  
44 officers or specifically designated by the board. The chairman,  
45 vice chairman and secretary-treasurer shall be bonded in an amount  
46 not less than Twenty Thousand Dollars (\$20,000.00). The cost of  
47 the bonds shall be paid from the funds received under this  
48 chapter. The bond shall be a security for any illegal act of such  
49 member of the board and recovery thereon may be had by the state  
50 for any injury by the illegal act of the member. The board may  
51 establish rules and regulations for its own government and the  
52 administration of the affairs of the board.

53 **SECTION 3.** (1) After July 1, 2006, there is imposed and  
54 levied an assessment at the rate of One Cent (1¢) per bushel on  
55 all corn grown within the State of Mississippi, and the assessment  
56 shall be deducted by the purchaser from the amount paid the  
57 producer at the first point of sale, whether within or without the  
58 state. If a producer pledges corn grown by that producer as  
59 collateral for a loan issued by the Commodity Credit Corporation  
60 and if that producer forfeits the corn in lieu of loan repayment,  
61 the Commodity Credit Corporation shall at the time of the loan  
62 settlement, collect the assessment from the producer.

63           (2) The assessment imposed and levied by this section shall  
64 be payable to and collected by the department from the purchaser  
65 of the corn at the first point of sale or from the Commodity  
66 Credit Corporation as provided in subsection (1) of this section.  
67 Assessments collected by the first purchasers and the Commodity  
68 Credit Corporation each month shall be remitted to the department  
69 by the fifteenth of the following month. The proceeds of the  
70 assessment collected by the department shall be deposited monthly  
71 with the State Treasurer in a special fund to be established as  
72 the "Mississippi Corn Promotion Fund," and promptly remitted to a  
73 foundation under the terms and conditions as the board deems  
74 necessary to ensure that the assessments are used properly in  
75 carrying out the purposes of this chapter.

76           (3) The department shall submit to the board a budget  
77 detailing and justifying the administrative costs of the  
78 department in administering the provisions of this chapter. The  
79 budget must be approved by the board by April 1 of each year. The  
80 department shall pay over to the Mississippi Corn Promotion Fund  
81 the funds collected, less three and one-half percent (3-1/2%) of  
82 the gross amount collected. The amount withheld by the department  
83 must be approved by the board by July 1 of each year.

84           (4) Each purchaser or the Commodity Credit Corporation shall  
85 keep a complete and accurate record of all corn handled by him and  
86 shall furnish each producer with a signed sales slip showing the  
87 number of bushels purchased from him and the amount deducted by  
88 him for the Mississippi Corn Promotion Fund. The records shall be  
89 in the form and contain any other information as the department  
90 shall by rule or regulation prescribe. The records shall be  
91 preserved by the purchaser for a period of two (2) years and shall  
92 be offered for inspection at any time upon oral or written demand  
93 by the department or any duly authorized agent or representative  
94 thereof. Every purchaser or the Commodity Credit Corporation, at  
95 such time or times as the department may require, shall submit

96 reports or other documentary information deemed necessary for the  
97 efficient and equitable collection of the assessment imposed in  
98 this chapter. The department shall have the power to cause any  
99 duly authorized agent or representative to enter upon the premises  
100 of any purchaser of corn and examine or cause to be examined by  
101 the agent only books, papers and records which deal in any way  
102 with the payment of the assessment or enforcement of the  
103 provisions of this chapter.

104        SECTION 4. (1) Any purchaser who fails to file a report or  
105 to pay any assessment within the time required by the department  
106 shall forfeit to the department a penalty of five percent (5%) of  
107 the assessment determined to be due, plus one percent (1%) of the  
108 amount for each month of delay or fraction thereof after the first  
109 month after the report was required to be filed or the assessment  
110 became due. The penalty shall be paid to the department and shall  
111 be disposed of by it in the same manner as funds derived from the  
112 payment of the assessment imposed herein.

113        (2) The department shall collect the penalties levied  
114 herein, together with the delinquent assessment, by any or all of  
115 the following methods:

116           (a) By voluntary payment by the person liable.

117           (b) By legal proceedings instituted in a court of  
118 competent jurisdiction.

119        (3) Any person required to pay the assessment provided for  
120 in this chapter who fails to remit same or who refuses to allow  
121 full inspection of the premises, or the books, records or other  
122 documents relating to the liability of the person for the  
123 assessment herein imposed, or who shall hinder or in any way delay  
124 or prevent the inspection, shall be guilty of a misdemeanor and,  
125 upon conviction, shall be punished by a fine not exceeding One  
126 Thousand Dollars (\$1,000.00) or by imprisonment not to exceed one  
127 (1) year, or both.

128           (4) The provisions of this chapter shall not apply to any  
129 person who purchases one thousand (1,000) or fewer bushels of corn  
130 in any calendar year, provided he is not regularly engaged in the  
131 purchase of corn.

132           SECTION 5. (1) The board shall plan and conduct a program  
133 of research, education and advertising designed to promote the  
134 corn industry in Mississippi. The board is authorized to use the  
135 funds derived from the assessment imposed herein for these  
136 purposes, including basic administration expenses of the plan.  
137 Use of these funds may be applied, as prescribed in this section,  
138 within or without the State of Mississippi, including regional,  
139 national and international research and promotional applications.

140           (2) (a) The Mississippi Legislature finds and declares that  
141 the factors which affect the ability of Mississippi corn farmers  
142 to market their crop are established by national and international  
143 forces in the world market. The Legislature further finds and  
144 declares that the expenditure of funds by the board for the  
145 purpose of influencing the development and implementation of  
146 national and international policy affecting the marketing of corn  
147 produced by Mississippi farmers is the expenditure of funds for a  
148 public purpose.

149           (b) The board may expend a portion of the funds  
150 received and administered by the board for the purpose of  
151 influencing the development and implementation of national and  
152 international policy affecting the marketing of corn produced by  
153 Mississippi farmers.

154           (c) The amount of funds expended by the board in each  
155 fiscal year for the purposes authorized in this subsection shall  
156 not exceed fifteen percent (15%) of the budget of the board for  
157 that fiscal year.

158           (d) The board shall not expend any funds for the  
159 purpose of influencing any legislative action on the state level.

160 (3) A report of all expenditures shall be made annually with  
161 three (3) copies of the report to be filed with each of the  
162 following: the Clerk of the House of Representatives, the  
163 Secretary of the Senate and the State Law Library.

164 **SECTION 6.** The State Tax Commission shall provide any  
165 information necessary to assist the department in collecting the  
166 assessments provided for in this chapter.

167 **SECTION 7.** Notwithstanding the provisions of any laws or  
168 parts of laws in conflict herewith, the provisions of this chapter  
169 shall be controlling to the extent of the conflict.

170 **SECTION 8.** This act shall take effect and be in force from  
171 and after July 1, 2006.