HOUSE BILL No. 2391

By Committee on Agriculture and Natural Resources

2-5

AN ACT concerning grain commodity commissions; relating to assessments and refunds; amending K.S.A. 2006 Supp. 2-3007 and repealing the existing section.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2006 Supp. 2-3007 is hereby amended to read as follows: 2-3007. (a) There is hereby levied an assessment upon grain sorghum marketed through commercial channels in the state of Kansas. The grain sorghum commission shall set the assessment at a rate of not more than five mills per bushel 0.6 of 1% of the net market price received by the grower. There is hereby levied an assessment upon corn marketed through commercial channels in the state of Kansas. The corn commission shall set the assessment at a rate of not more than five mills per bushel. There is hereby levied an assessment upon soybeans marketed through commercial channels in the state of Kansas. The soybean commission shall set the assessment at a rate of not more than 20 mills per bushel 0.5 of 1% of the net market price received by the grower. There is hereby levied an assessment upon wheat marketed through commercial channels in the state of Kansas. The wheat commission shall set the assessment at a rate of not more than 10 20 mills per bushel. There is hereby levied an assessment upon sunflowers marketed through commercial channels in the state of Kansas. The sunflower commission shall set the assessment at a rate of not more than seven and one-half mills per bushel (\$0.03 per cwt). Any commission shall not change the assessment rate, either to increase or reduce, more than once a year. Such assessment shall be levied and assessed to the grower at the time of sale, and shall be shown as a deduction by the first purchaser from the price paid in settlement to the grower. Under the provisions of this act, no corn, grain sorghum, soybeans, wheat or sunflowers shall be subject to the assessment more than once. The commission shall furnish to every first purchaser receipt forms which shall be issued by such first purchaser to the grower upon the payment of such assessment. The form shall indicate thereon the procedure by which the grower may obtain a refund of any such assessment, except a refund shall not be issued unless the amount of the refund is \$5 or more. Within one year 90 days after any and all sales during such

 period the grower may upon submission of a request therefor to the commission, obtain a refund in the amount of the assessments deducted by the first purchaser. Such request shall be accompanied by evidence of the payment of the assessments which need not be verified.

- (b) The commission shall keep complete records of all refunds made under the provisions of this section. Records of refunds may be destroyed two years after the refund is made. All funds expended by the commission in the administration of this act and for the payment of all claims growing out of the performance of any duties or activities pursuant to this act shall be paid from the proceeds derived from such assessment. In the case of a lien holder who is a first purchaser as defined in this act, the assessment shall be deducted by the lien holder from the proceeds of the claim secured by such lien at the time the corn, grain sorghum, soybeans, wheat or sunflowers are pledged or mortgaged. The assessment shall constitute a preferred lien and shall have priority over all other liens and encumbrances upon such corn, grain sorghum, soybeans, wheat or sunflowers. The assessment shall be deducted and paid as provided in this section whether such corn, grain sorghum, soybeans, wheat or sunflowers are stored in this or any other state.
- (c) Any corn, grain sorghum, soybean, wheat or sunflowers acquired by a grower as defined in K.S.A. 2-3001, and amendments thereto, under the provisions of any federal program shall be subject to the provisions of this section.
- (d) No assessments for soybeans shall be collected pursuant to subsection (a) while the national checkoff program for soybeans, established pursuant to public law 101-624, remains in effect. Collection of assessments pursuant to subsection (a) shall be reinstated upon the withdrawal of the national checkoff program for soybeans, established pursuant to public law 101-624.
- 30 Sec. 2. K.S.A. 2006 Supp. 2-3007 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.