## SENATE BILL NO. 488

## 94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CLEMENS.

Read 1st time February 12, 2007, and ordered printed.

2140S.01I

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 261.035, 261.230, 261.235, 261.239, and 265.200, RSMo, and to enact in lieu thereof five new sections relating to the department of agriculture.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 261.035, 261.230, 261.235, 261.239, and 265.200,

- 2 RSMo, are repealed and five new sections enacted in lieu thereof, to be known as
- 3 sections 261.035, 261.230, 261.235, 261.239, and 265.200, to read as follows:

261.035. 1. There is hereby created in the state treasury for the use of

- 2 the [marketing] agriculture business development division of the state
- 3 department of agriculture a fund to be known as "The [Marketing] **Agriculture**
- 4 Business Development Fund". All moneys received by the state department of
- 5 agriculture for marketing development from any source within the state shall be
- 6 deposited in the fund.
- 7 2. Moneys deposited in the fund shall, upon appropriation by the general
- 8 assembly to the state department of agriculture, be expended by the state
- 9 department of agriculture for purposes of agricultural marketing development
- 10 and for no other purposes.
- 11 3. The unexpended balance in the [marketing] agriculture business
- 12 development fund at the end of the biennium shall not be transferred to the
- 13 ordinary revenue fund of the state treasury and accordingly shall be exempt from
- 14 the provisions of section 33.080, RSMo, relating to transfer of funds to the
- 15 ordinary revenue funds of the state by the state treasurer.

261.230. The director of the department of agriculture shall, for the use

2 of the [marketing] agriculture business development division of the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

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3 department of agriculture, develop and implement rules and regulations by

4 product category for all Missouri agricultural products included in the

5 AgriMissouri marketing program.

261.235. 1. There is hereby created in the state treasury for the use of the [marketing] agriculture business development division of the state department of agriculture a fund to be known as "The [Missouri Agricultural Products Marketing Development AgriMissouri Fund". All moneys received by the state department of agriculture for Missouri agricultural products marketing development from any source, including trademark fees, shall be deposited in the fund. Moneys deposited in the fund shall, upon appropriation by the general assembly to the state department of agriculture, be expended by the [marketing] agriculture business development division of the state department of 9 agriculture for promotion of Missouri agricultural products under the 10 AgriMissouri program. The unexpended balance in the [Missouri agricultural 11 products marketing development] AgriMissouri fund at the end of the biennium shall not be transferred to the general revenue fund of the state treasury and 13 accordingly shall be exempt from the provisions of section 33.080, RSMo, relating 14 to transfer of funds to the ordinary revenue funds of the state by the state 15 16 treasurer.

- 2. There is hereby created within the department of agriculture the 17 18 "[Citizens'] AgriMissouri Advisory Commission for Marketing Missouri 19 Agricultural Products". The commission shall establish guidelines, and make 20 recommendations to the director of agriculture, for the use of funds appropriated by the general assembly for the [marketing] agriculture business 21development division of the department of agriculture, and for all funds 22collected or appropriated to the Missouri agricultural products marketing 23development fund created pursuant to subsection 1 of this section. The guidelines 24shall focus on the promotion of the AgriMissouri trademark associated with 2526 Missouri agricultural products that have been approved by the general assembly, 27 and shall advance the following objectives:
- 28 (1) Increasing the impact and fostering the effectiveness of local efforts 29 to promote Missouri agricultural products;
- (2) Enabling and encouraging expanded advertising efforts for Missouri
  agricultural products;
- 32 (3) Encouraging effective, high-quality advertising projects, innovative 33 marketing strategies, and the coordination of local, regional and statewide

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34 marketing efforts;

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- 35 (4) Providing training and technical assistance to cooperative-marketing 36 partners of Missouri agricultural products.
- 37 3. The commission may establish a fee structure for sellers electing to use AgriMissouri trademark associated with Missouri agricultural 38 39 products. Under the fee structure:
- (1) A seller having gross annual sales greater than two million dollars per fiscal year of Missouri agricultural products which constitute the final product of 42a series of processes or activities shall remit to the [marketing] agriculture business development division of the department of agriculture, at such times and in such manner as may be prescribed, a trademark fee of one-half of one percent of the aggregate amount of all of such seller's wholesale sales of products carrying the AgriMissouri trademark; and
  - (2) All sellers having gross annual sales less than or equal to two million dollars per fiscal year of Missouri agricultural products which constitute the final product of a series of processes or activities shall, after three years of selling Missouri agricultural products carrying the AgriMissouri trademark, remit to the [marketing] agriculture business development division of the department of agriculture, at such times and in such manner as may be prescribed, a trademark fee of one-half of one percent of the aggregate amount of all of such seller's wholesale sales of products carrying the AgriMissouri trademark.
- All trademark fees shall be deposited to the credit of the [Missouri agricultural 55 56 products marketing development AgriMissouri fund, created pursuant to this 57 section.
  - 4. The [marketing] agriculture business development division of the department of agriculture is authorized to promulgate rules consistent with the guidelines and fee structure established by the commission. No rule or portion of a rule shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.
- 63 5. The commission shall consist of nine members appointed by the governor with the advice and consent of the senate. One member shall be the 64 65 director of the [market] agriculture business development division of the 66 department of agriculture, or his or her representative. At least one member 67 shall be a specialist in advertising; at least one member shall be a specialist in agribusiness; at least one member shall be a specialist in the retail grocery 68 business; at least one member shall be a specialist in communications; at least 69

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70 one member shall be a specialist in product distribution; at least one member 71 shall be a family farmer with expertise in livestock farming; at least one member shall be a family farmer with expertise in grain farming and at least one member 7273shall be a family farmer with expertise in organic farming. Members shall serve 74for four-year terms, except in the first appointments three members shall be appointed for terms of four years, three members shall be appointed for terms of three years and three members shall be appointed for terms of two years 76 77each. Any member appointed to fill a vacancy of an unexpired term shall be 78 appointed for the remainder of the term of the member causing the vacancy. The governor shall appoint a chairperson of the commission, subject to ratification by 79 80 the commission.

6. Commission members shall receive no compensation but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties on the commission. The division of [market] agriculture business development of the department of agriculture shall provide all necessary staff and support services as required by the commission to hold commission meetings, to maintain records of official acts and to conduct all other business of the commission. The commission shall meet quarterly and at any such time that it deems necessary. Meetings may be called by the chairperson or by a petition signed by a majority of the members of the commission. Ten days' notice shall be given in writing to such members prior to the meeting date. A simple majority of the members of the commission shall be present to constitute a quorum. Proxy voting shall not be permitted.

261.239. The [marketing] agriculture business development division of the department of agriculture shall create an Internet web site for the purpose of fostering the marketing of Missouri agricultural products over the Internet.

265.200. The executive board of the Missouri state horticultural society 2 shall have the power and duty:

- 3 (1) To authorize the director to expend, within the appropriations 4 provided therefor, a designated amount of the moneys in the apple merchandising 5 fund in the enforcement of sections 265.130 and 265.140, referring to the labeling 6 of apples.
- 7 (2) To authorize the director to expend, within the appropriations 8 provided therefor, a reasonable amount of the moneys in the apple merchandising 9 fund in the administration of sections 265.150 to 265.180, referring to the 0 collection of levies imposed by this chapter.

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11 (3) To authorize the director to apportion, within the appropriations 12 provided therefor, a reasonable amount of the moneys in the apple merchandising fund to the [marketing] agriculture business development fund. 13

- (4) To plan and to authorize the director to conduct a campaign of education, advertising, publicity and sales promotion to increase the consumption 15 of Missouri apples and the director may contract for any advertising, publicity and sales promotion service. To accomplish such purpose the director shall have 18 power and it shall be the duty of the director, within the appropriations provided therefor, to disseminate information:
  - (a) Relating to apples and the importance thereof in preserving the public health, the economy thereof in the diet of the people, and the importance thereof in the nutrition of children;
  - (b) Relating to the problem of furnishing the consumer at all times with a supply of good quality apples at reasonable prices;
  - (c) Relating to such other, further and additional information as shall tend to promote increased consumption of Missouri apples, and as may foster a better understanding and more efficient cooperation between producers, dealers and the consuming public.
- (5) To cooperate with other state, regional and national agricultural organizations and may at its discretion authorize the director to expend within the appropriations provided therefor moneys of the apple merchandising fund for 32such purposes.