

Stricken language would be deleted from and underlined language would be added to present law.
Act 712 of the Regular Session

State of Arkansas
94th General Assembly
Regular Session, 2023

As Engrossed: S3/29/23
A Bill

SENATE BILL 506

By: Senator B. Davis
By: Representative Painter

For An Act To Be Entitled

AN ACT TO TRANSFER CERTAIN ENTITIES TO THE DEPARTMENT OF AGRICULTURE; TO TRANSFER AGRICULTURAL PROMOTIONAL BOARDS TO THE DEPARTMENT OF AGRICULTURE BY A CABINET-LEVEL DEPARTMENT TRANSFER; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO TRANSFER CERTAIN ENTITIES TO THE DEPARTMENT OF AGRICULTURE; AND TO TRANSFER AGRICULTURAL PROMOTIONAL BOARDS TO THE DEPARTMENT OF AGRICULTURE BY A CABINET-LEVEL DEPARTMENT TRANSFER; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Transfer of entities to the Department of Agriculture by cabinet-level department transfer.

(a) The following entities are transferred to the Department of Agriculture:

- (1) Arkansas Catfish Promotion Board;
- (2) Arkansas Soybean Promotion Board;
- (3) Arkansas Rice Research and Promotion Board;
- (4) Arkansas Wheat Promotion Board;
- (5) Arkansas Corn and Grain Sorghum Promotion Board; and
- (6) Arkansas Beef Council.



(b) The administrative functions of the entities under subsection (a) of this section are transferred by a cabinet-level department transfer under § 25-43-202 to the Department of Agriculture.

(c) The statutory authority, powers, duties, functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the entities under subsection (a) of this section, including the functions of budgeting or purchasing, are transferred to the Department of Agriculture.

(d)(1) The transfer of the entities in subsection (a) of this section does not affect the orders, rules, regulations, directives, or standards made or promulgated by the entities in subsection (a) of this section before the effective date of this act.

(2) The orders, rules, regulations, directives, or standards under subdivision (d)(1) of this section shall continue with full force and effect until amended or repealed under authority given by law.

(e) The members of the entities in subsection (a) of this section, and their successors, shall continue to be selected in the manner and serve for the terms provided by the statutes applicable to the entities in subsection (a) of this section.

(f) The entities in subsection (a) of this section and Arkansas Farm Bureau Federation shall grant access to and provide all information requested by the Department of Agriculture to accomplish the transfer and mission of the entities in subsection (a) of this section.

SECTION 2. Arkansas Code § 2-9-103 is amended to read as follows:

2-9-103. Arkansas Catfish Promotion Board.

(a)(1) The Arkansas Catfish Promotion Board is created.

(2) The board shall be composed of seven (7) members appointed by the Governor, ~~confirmed by the Senate, as follows:~~

~~(1)(A) The Catfish Farmers of Arkansas, Inc., shall submit to the Governor the names of six (6) persons who are members of the catfish industry. The list of nominees shall include commercial catfish producers, processors, and feed dealers identified as such. The Arkansas Farm Bureau Federation shall submit to the Governor the names of six (6) persons who are commercial catfish producers. All members shall be~~ and who are residents of Arkansas.

~~(B) The Governor shall appoint four (4) members from the list submitted by the Catfish Farmers of Arkansas, Inc., and three (3) members from the list submitted by the Arkansas Farm Bureau Federation to serve on the board.~~

~~(2) Each year, not less than thirty (30) calendar days before the expiration of the terms of the current members of the board whose terms expire, the organizations named in subdivision (a)(1)(A) of this section shall submit to the Governor the names of two (2) nominees for each position to be filled on the board from the respective organizations, subject to the foregoing qualifications, and the Governor shall appoint the new members from each list of nominees. If no lists are submitted, the appointments shall be at the discretion of the Governor.~~

(3)(A) Each member selected shall serve for a term of two (2) years and until his or her successor is selected as provided in this section.

(B) However, the initial members of the board shall be appointed for terms that will result in three (3) members' terms expiring after one (1) year and four (4) members' terms expiring after two (2) years.

(4) A midterm vacancy on the board shall be filled by appointment by the Governor from a list submitted within thirty (30) calendar days from the organization making the nomination for the position being vacated.

(5) A member of the board may be removed by a majority vote of the remaining board members for conviction of a felony, for not attending three (3) consecutive meetings, or if the member no longer meets the qualifications for his or her initial appointment.

~~(b)(1) The President of the Catfish Farmers of Arkansas, Inc. Secretary of the Department of Agriculture, shall call an organizational meeting of the board and shall preside until officers are elected.~~

(2) Members of the board shall organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the board, whose duties shall be those customarily exercised by those officers or specifically designated by the board.

(3) The board may appoint an executive director, who shall be the chief operating officer of the board and whose duties shall be designated by the board.

(c)(1) The board may provide a salary for the executive director and

for other necessary employees from funds derived from the assessments imposed in this chapter.

(2) Members of the board shall serve without compensation but may be reimbursed for reasonable expenses.

(d) The ~~principal~~ office of the board shall be located in ~~Little Rock, Pulaski County, Arkansas~~ the Department of Agriculture.

(e) The resident agents of the board shall be the executive director of the board and the chair of the board, or either of them.

(f) The Department of Agriculture shall provide administrative support to the board.

SECTION 3. Arkansas Code § 2-20-404 is amended to read as follows:
2-20-404. Arkansas Soybean Promotion Board.

(a)(1) The Arkansas Soybean Promotion Board is created.

(2) The board shall be composed of nine (9) producer members appointed by the *Governor and confirmed by the Senate, as follows:*

~~(1)(A) The Arkansas Farm Bureau Federation, Riceland Foods, Inc., Arkansas Soybean Association, and Agriculture Council of Arkansas shall submit the names of five (5) practical soybean producers to the Governor.~~

~~(B) The Governor shall appoint three (3) members from the list submitted by the Arkansas Farm Bureau Federation, and two (2) members from the list submitted by each of the other organizations named above to serve on the board~~

~~(C)(3)~~ (3) All of the nine (9) ~~producer~~ members of the board shall:

(i) Represent Arkansas soybean farmers at large; and

(ii) be Be practical producers of soybeans in the State of Arkansas and shall be nominated by their respective organizations.

~~(2) Each year, not less than thirty (30) days before the expiration of the terms of the current board members whose terms expire, the organizations named in subdivision (a)(1)(A) of this section shall submit to the Governor names of two (2) nominees for each position to be filled on the board from the respective organizations, and the Governor shall appoint the new members from each list of nominees; and~~

~~(3)(4)~~ (4) Each member selected shall serve for a term of two (2) years and until his or her successor is duly selected as provided in this

section.

(b)(1) The members of the board shall meet and organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the board, whose duties shall be those customarily exercised by those officers or specifically designated by the board. ~~The principal office of the board shall be located at the office of the Arkansas Farm Bureau Federation, in Little Rock.~~

(2) All officers shall serve for a period of one (1) year and until their successors are duly elected.

~~(c) The board may establish rules for its own government and for the administration of the affairs of the board.~~

~~(d) The board is designated as the qualified state soybean board to represent the State of Arkansas under the Soybean Promotion, Research and Consumer Information Act of 1990.~~

(d) The Department of Agriculture shall provide administrative support to the board.

SECTION 4. Arkansas Code § 2-20-505 is amended to read as follows:

2-20-505. Arkansas Rice Research and Promotion Board.

(a) The Arkansas Rice Research and Promotion Board is created.

(b)(1) The board shall be composed of nine (9) rice producer members to be appointed by the *Governor* and confirmed by the Senate. ~~as follows:~~

~~(A) Three (3) members shall represent the Arkansas Farm Bureau Federation;~~

~~(B) Two (2) members shall represent Riceland Foods, Inc.;~~

~~(C) One (1) member shall represent the Agricultural Council of Arkansas;~~

~~(D) One (1) member shall represent Producers Rice Mill, Inc.;~~

~~(E) One (1) member shall represent the Arkansas Rice Council; and~~

~~(F) One (1) member shall represent the independent mills of Arkansas.~~

(2) All of the nine (9) producer members of the board shall be ~~practical producers of rice in the State of Arkansas and shall be nominated by their respective organizations~~ actively and principally engaged in the

production of rice.

~~(3) Each year, not less than thirty (30) days before the expiration of the terms of the current board members whose terms expire in that year, the organizations named in subdivision (b)(1) of this section shall submit to the Governor names of two (2) nominees for each position to be filled on the board from the respective organizations, and the Governor shall appoint the new members from each list of nominees~~ Four (4) members of the board shall be designated representatives of the Arkansas rice merchant and milling industry.

(4) Each member selected shall serve for a term of two (2) years and until his or her successor is duly selected as provided in this section.

~~(c)(1)~~ The members of the board shall meet and organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the board, whose duties shall be those customarily exercised by those officers or specifically designated by the board.

~~(2)~~ All officers shall serve for a period of one (1) year and until their successors are duly elected.

(d) The board may establish rules for its own government and for the administration of affairs of the board.

(e) The resident agent of the board shall be the ~~executive vice president, Arkansas Farm Bureau Federation~~ Secretary of the Department of Agriculture, or his or her designee.

(f) The Department of Agriculture shall provide administrative support to the board.

SECTION 5. Arkansas Code § 2-20-604 is amended to read as follows:

2-20-604. Arkansas Wheat Promotion Board.

(a) The Arkansas Wheat Promotion Board is created.

(b)(1) The board shall be composed of ~~nine (9)~~ seven (7) producer members to be appointed by the Governor and confirmed by the Senate ~~as follows:~~

~~(A) Three (3) members shall represent the Arkansas Farm Bureau Federation;~~

~~(B) Two (2) members shall represent Riceland Foods, Inc.;~~

~~(C) Two (2) members shall represent the Arkansas~~

~~Association of Wheat Growers; and~~

~~(D) Two (2) members shall represent the Agricultural Council of Arkansas.~~

(2) All of the ~~nine (9)~~ seven (7) members of the board shall:

(A) Represent Arkansas wheat farmers at large; and

(B) Be practical producers of wheat in the State of Arkansas and shall be nominated by their respective organizations.

~~(3) Each year, not less than thirty (30) days before the expiration of the terms of the current board members whose terms expire in that year, the organizations named above shall submit to the Governor names of two (2) nominees for each position to be filled on the board from the respective organizations, and the Governor shall appoint the new members from each list of nominees.~~

~~(4)~~(3) Each member selected shall serve for a term of two (2) years and until his or her successor is duly selected as provided in this section.

(c)(1) The members of the board shall meet and organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the board, whose duties shall be those customarily exercised by those officers or specifically designated by the board.

(2) All officers shall serve for a period of one (1) year and until their successors are elected.

~~(d) The board may establish rules for its own government and for the administration of affairs of the board~~ Department of Agriculture shall provide administrative support to the board.

SECTION 6. Arkansas Code § 2-20-610 is repealed.

~~2-20-610. Resident agent.~~

~~The resident agent of the Arkansas Wheat Promotion Board shall be the executive vice president of Arkansas Farm Bureau Federation or his or her designee.~~

SECTION 7. Arkansas Code § 2-20-804 is amended to read as follows:

2-20-804. Arkansas Corn and Grain Sorghum Promotion Board.

(a)~~(1)~~ The Arkansas Corn and Grain Sorghum Promotion Board is created.

~~and domiciled in Little Rock, Arkansas, 10720 Kanis Road, and is composed~~

~~(b)(1) The board shall be composed of seven (7) producer members appointed by the Governor and confirmed by the Senate as provided in this subsection.~~

~~(2) All of the seven (7) producer members of the board shall be practical producers of corn or grain sorghum in the State of Arkansas and shall be nominated by their respective organizations.~~

~~(3) Within ten (10) days following July 1, 1997, each of the following organizations, namely, the Arkansas Farm Bureau Federation, Riceland Foods, Inc., and the Agricultural Council of Arkansas, shall submit the names of five (5) practical corn or grain sorghum producers to the Governor, and he or she shall appoint three (3) members from the list submitted by the Arkansas Farm Bureau Federation, and two (2) members from the lists submitted by each of the other above-named organizations to serve on the board.~~

~~(4) The members selected as provided in this section from the Arkansas Farm Bureau Federation, shall draw lots to determine their terms so that two (2) of the members will serve for terms of two (2) years and one (1) shall serve for a term of one (1) year, and the members from each of the other organizations shall draw lots for terms so that one (1) shall serve for a term of one (1) year and one (1) shall serve for a term of two (2) years. Thereafter, each Each member selected shall serve for a term of two (2) years and until his or her successor is duly selected as provided in this section.~~

~~(5) Each year thereafter not less than thirty (30) days before the expiration of the terms of the current board members whose terms expire, the organizations named in subdivision (a)(3) of this section shall submit to the Governor names of two (2) nominees named for each position to be filled on the board from the respective organizations, and the Governor shall appoint from each list of nominees the new member or members.~~

~~(b)(1)(c)(1) The members of the board shall meet and organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the board, whose duties shall be those customarily exercised by the officers or specifically designated by the board.~~

~~(2) All officers shall serve for a period of one (1) year and until their successors are duly elected. The board may establish rules for~~

~~its own government and for the administration of affairs of the board.~~

~~(e)(d)~~ The resident agent of the board shall be the ~~executive vice president of the Arkansas Farm Bureau Federation~~ Secretary of the Department of Agriculture, or his or her designee.

(e) The Department of Agriculture shall provide administrative support to the board.

SECTION 8. Arkansas Code § 2-35-303 is amended to read as follows:

2-35-303. Creation – Members – Organization.

(a) The Arkansas Beef Council is created.

(b)(1) The council shall be composed of seven (7) members appointed by the Governor *and confirmed by the Senate* as follows:

(A) ~~Three (3)~~ Four (4) cattle producer members shall ~~represent the Arkansas Farm Bureau Federation and shall be appointed from a list of names submitted by the board of directors of that organization~~ actively and principally engaged in the cattle industry, from each of the four (4) congressional districts;

(B) ~~Three (3)~~ Two (2) cattle producer members shall ~~represent the Arkansas Cattlemen's Association and shall be appointed from a list of names submitted by the board of directors of that organization~~ actively and principally engaged in the cattle industry, from the state at large; and

(C) One (1) member who shall be an active Arkansas livestock market operator who shall be appointed from the state at large.

(2) ~~Each year, not less than thirty (30) days before the expiration of the terms of the current council members whose terms expire in that year, the organizations named shall submit to the Governor two (2) nominees for each position to be filled on the council from the respective organizations. The Governor shall appoint a succeeding member to the council from each organization's list of nominees.~~

~~(3)~~ Each member selected shall serve for a term of three (3) years and until his or her successor is ~~du~~ly selected as provided in this section.

~~(4)~~(3)(A) Vacancies in any unexpired term shall be filled by the Governor for the remainder of the unexpired term.

(B) The member appointed to fill the vacancy shall

represent the same ~~organization~~ type of designee under subdivision (b)(1) of this section as the person whose term is unexpired.

(c) Members of the council shall meet and organize immediately after their appointment and shall elect a chair, a vice chair, and a secretary-treasurer from the membership of the council whose duties shall be those customarily exercised by those officers or specifically designated by the council.

(d) ~~The council may establish rules for its own government and for the administration of the affairs of the council~~ The Department of Agriculture shall provide administrative support to the council.

SECTION 9. Arkansas Code § 2-35-404 is amended to read as follows:
2-35-404. Rules.

The Secretary of the Department of ~~Finance and Administration~~ Agriculture is authorized to adopt appropriate rules not inconsistent with this subchapter or the federal law, orders, and rules regarding the national beef promotion and research program as he or she may deem necessary to carry out the intent and purposes of, and to assure compliance with, this subchapter and the federal laws, orders, and rules relating to the national beef promotion and research program.

SECTION 10. Arkansas Code § 25-38-203, concerning the duties of the Department of Agriculture, is amended to add an additional subdivision to read as follows:

(13) Develop a report to be submitted each year on January 1 to the Governor, the Senate Committee on Agriculture, Forestry, and Economic Development, and the House Committee on Agriculture, Forestry, and Economic Development, concerning the activities and programs of the:

- (A) Arkansas Catfish Promotion Board;
- (B) Arkansas Soybean Promotion Board;
- (C) Arkansas Rice Research and Promotion Board;
- (D) Arkansas Wheat Promotion Board;
- (E) Arkansas Corn and Grain Sorghum Promotion Board,; and
- (F) Arkansas Beef Council.

SECTION 11. Arkansas Code § 25-38-211, concerning the state entities

transferred to the Department of Agriculture, is amended to add additional subdivisions to read as follows:

- (24) Arkansas Catfish Promotion Board, created under § 2-9-103;
- (25) Arkansas Soybean Promotion Board, created under § 2-20-404;
- (26) Arkansas Rice Research and Promotion Board, created under § 2-20-505;
- (27) Arkansas Wheat Promotion Board, created under § 2-20-604;
- (28) Arkansas Corn and Grain Sorghum Promotion Board, created under § 2-20-804; and
- (29) Arkansas Beef Council, created under § 2-35-303.

SECTION 12. Arkansas Code § 25-43-202(a), concerning the state entities transferred to the Department of Agriculture, is amended to add additional subdivisions to read as follows:

- (25) Arkansas Catfish Promotion Board, created under § 2-9-103;
- (26) Arkansas Soybean Promotion Board, created under § 2-20-404;
- (27) Arkansas Rice Research and Promotion Board, created under § 2-20-505;
- (28) Arkansas Wheat Promotion Board, created under § 2-20-604;
- (29) Arkansas Corn and Grain Sorghum Promotion Board, created under § 2-20-804; and
- (30) Arkansas Beef Council, created under § 2-35-303.

SECTION 13. DO NOT CODIFY. TEMPORARY LANGUAGE. This act shall not shorten the term of any current member of the Arkansas Catfish Promotion Board, Arkansas Soybean Promotion Board, Arkansas Rice Research and Promotion Board, Arkansas Wheat Promotion Board, Arkansas Corn and Grain Sorghum Promotion Board, and Arkansas Beef Council but shall be implemented as terms expire and by filling vacancies on each of the boards and council.

SECTION 14. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Arkansas Catfish Promotion Board, Arkansas Soybean Promotion Board, Arkansas Rice Research and Promotion Board, Arkansas Wheat Promotion Board, Arkansas Corn and Grain Sorghum Promotion Board, and Arkansas Beef Council preserves the public peace, health, and safety by studying, planning, promoting, and implementing needed projects and research to support the agricultural industry in Arkansas; that this act provides for the transfer of agricultural boards to the Department of Agriculture for more efficient agricultural promotion and industry in the state; and that this act should become effective on July 1, 2023, to coincide with the appropriation bills of the Department of Agriculture and Department of Finance and Administration to continue to provide the vital services of these state entities as the transfer is implemented and does not experience any issues with funding under the transfer. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2023.

/s/B. Davis

APPROVED: 4/11/23