VIRGINIA ACTS OF ASSEMBLY -- 1997 RECONVENED SESSION

CHAPTER 873

An Act to amend and reenact §§ 2.1-1.6 and 9-6.25:3 of the Code of Virginia and to amend the Code of Virginia by adding in Title 3.1 a chapter numbered 44, consisting of sections numbered 3.1-1081 through 3.1-1103, relating to the Virginia Cotton Board; penalties.

[H 2448]

Approved April 2, 1997

Be it enacted by the General Assembly of Virginia: 1. That §§ 2.1-1.6 and 9-6.25:3 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 3.1 a chapter numbered 44, consisting of sections numbered 3.1-1081 through 3.1-1103, as follows:

§ 2.1-1.6. State boards.

A. There shall be, in addition to such others as may be established by law, the following permanent collegial bodies affiliated with a state agency within the executive branch:

Accountancy, Board for Aging, Advisory Board on the Agriculture and Consumer Services, Board of Air Pollution, State Advisory Board on Alcoholic Beverage Control Board, Virginia Apple Board, Virginia State Appomattox State Scenic River Advisory Board Aquaculture Advisory Board Architects, Professional Engineers, Land Surveyors and Landscape Architects, State Board for Art and Architectural Review Board Athletic Board, Virginia Auctioneers Board Audiology and Speech-Language Pathology, Board of Aviation Board, Virginia Barbers, Board for Branch Pilots, Board for Bright Flue-Cured Tobacco Board, Virginia Building Code Technical Review Board, State Catoctin Creek State Scenic River Advisory Board Cattle Industry Board, Virginia Cave Board Certified Seed Board, State Chesapeake Bay Local Assistance Board Chickahominy State Scenic River Advisory Board Child Abuse and Neglect, Advisory Board on Chippokes Plantation Farm Foundation, Board of Trustees Clinch Scenic River Advisory Board Coal Mining Examiners, Board of Coal Research and Development Advisory Board, Virginia Coal Surface Mining Reclamation Fund Advisory Board Coastal Land Management Advisory Council, Virginia Conservation and Development of Public Beaches, Board on Conservation and Recreation, Board of Contractors, Board for Corn Board, Virginia Correctional Education, Board of Corrections, State Board of Cosmetology, Board for Criminal Justice Services Board Dark-Fired Tobacco Board, Virginia Deaf and Hard-of-Hearing, Advisory Board for the Department for the Dentistry, Board of Design-Build/Construction Management Review Board Education, State Board of Egg Board, Virginia

Emergency Medical Services Advisory Board Farmers Market Board, Virginia Film Office Advisory Board Fire Services Board, Virginia Forensic Science Advisory Board Forestry, Board of Funeral Directors and Embalmers, Board of Game and Inland Fisheries, Board of Geology, Board for Goose Creek Scenic River Advisory Board Health Planning Board, Virginia Health Professions, Board of Health, State Board of Hearing Aid Specialists, Board for Hemophilia Advisory Board Historic Resources, Board of Housing and Community Development, Board of Industrial Development Services Advisory Board Irish Potato Board, Virginia Juvenile Justice, State Board of Litter Control and Recycling Fund Advisory Board Marine Products Board, Virginia Medical Advisory Board, Department of Motor Vehicles Medical Board of the Virginia Retirement System Medicare and Medicaid, Advisory Board on Medicine, Board of Mental Health, Mental Retardation and Substance Abuse Services Board, State Migrant and Seasonal Farmworkers Board Military Affairs, Board of Mineral Mining Examiners, Board of Minority Business Enterprise, Interdepartmental Board of the Department of Networking Users Advisory Board, State Nottoway State Scenic River Advisory Board Nursing, Board of Nursing Home Administrators, Board of Occupational Therapy, Advisory Board on Oil and Gas Conservation Board, Virginia Opticians, Board for Optometry, Board of Peanut Board, Virginia Personnel Advisory Board Pesticide Control Board Pharmacy, Board of Physical Therapy to the Board of Medicine, Advisory Board on Plant Pollination Advisory Board Polygraph Examiners Advisory Board Pork Industry Board, Virginia Poultry Products Board, Virginia Private College Advisory Board Private Security Services Advisory Board Professional and Occupational Regulation, Board for Professional Counselors, Board of Professional Soil Scientists, Board for Psychiatric Advisory Board Psychology, Board of Public Buildings Board, Virginia Public Telecommunications Board, Virginia Radiation Advisory Board Real Estate Appraiser Board Real Estate Board Reciprocity Board, Department of Motor Vehicles Recreational Fishing Advisory Board, Virginia Recreation Specialists, Board of Reforestation Board

Rehabilitation Providers, Advisory Board on Rehabilitative Services, Board of Respiratory Therapy, Advisory Board on Retirement System Review Board Rockfish State Scenic River Advisory Board Safety and Health Codes Board Seed Potato Board Sewage Handling and Disposal Appeal Review Board, State Health Department Shenandoah State Scenic River Advisory Board Small Business Advisory Board Small Business Environmental Compliance Advisory Board Small Grains Board, Virginia Social Services, Board of Social Work, Board of Soil and Water Conservation Board, Virginia Soybean Board, Virginia State Air Pollution Control Board Substance Abuse Certification Board Surface Mining Review, Board of Sweet Potato Board, Virginia T & M Vehicle Dealers' Advisory Board Teacher Education and Licensure, Advisory Board on Tourism and Travel Services Advisory Board Transportation Board, Commonwealth Transportation Safety, Board of Treasury Board, The, Department of the Treasury Veterans' Affairs, Board on Veterinary Medicine, Board of Virginia Board for Asbestos Licensing Virginia Coal Mine Safety Board Virginia Correctional Enterprises Advisory Board Virginia Cotton Board Virginia Employment Commission, State Advisory Board for the Virginia Higher Education Tuition Trust Fund, Board of the Virginia Horse Industry Board Virginia Manufactured Housing Board Virginia Retirement System, Board of Trustees Virginia Sheep Industry Board Virginia Veterans Cemetery Board Virginia Waste Management Board Visually Handicapped, Virginia Board for the Voluntary Formulary Board, Virginia War Memorial Foundation, Virginia, Board of Trustees Waste Management Facility Operators, Board for Water Resources Research Center Statewide Advisory Board, Virginia Waterworks and Wastewater Works Operators, Board for Well Review Board, Virginia. B. Notwithstanding the definition for "board" as provided in § 2.1-1.2, the following entities shall be referred to as boards: **Compensation Board** State Board of Elections State Water Control Board Virginia Parole Board Virginia Veterans Care Center Board of Trustees. CHAPTER 44. VIRGINIA COTTON BOARD. § 3.1-1081. Definitions. As used in this chapter, unless the context requires a different meaning:

"Agriculture Board" means the Virginia Board of Agriculture and Consumer Services.

"Assessment" means moneys to be collected as authorized by this chapter.

"Bale" means a closely pressed package of cotton weighing 480 pounds, more or less.

"Commissioner" means the Commissioner of the Virginia Department of Agriculture and Consumer Services.

"Cotton" means the field crop of the genus Gossypium grown to be further processed into

consumable goods.

"Cotton Board" means the Virginia Cotton Board.

"Farming unit" means any sole proprietorship, corporation, or partnership and includes land owned and leased by any such business entity.

"Fiscal year" means July 1 through the following June 30.

"Handler" means the first purchaser of cotton from a producer.

"Locality" means county, city, or town.

"Producer" means any farmer who grows, harvests, and sells cotton in Virginia.

§ 3.1-1082. Declaration of public interest.

Subject to the provisions of § 3.1-1090, the General Assembly hereby declares it to be in the public interest that producers be permitted to express in a referendum whether an assessment should be levied upon cotton, with revenues therefrom to be used in encouraging an expanded program of research concerning, education on, and promotion of the growth and use of cotton.

§ 3.1-1083. Petition for referendum on question of levying an assessment; action of Agriculture Board thereon.

The Agriculture Board, upon a petition being filed with it by the Virginia Cotton Growers Association, Inc., or the Virginia Farm Bureau Federation, requesting a referendum and, upon finding that sufficient interest exists among producers in this Commonwealth to justify a referendum, shall authorize a referendum as set forth in this chapter. The Commissioner, or his designated agents, shall thereupon be fully empowered and directed to conduct a referendum on the question of whether or not the producers in this Commonwealth are of the opinion that such additional research concerning, education on, and promotion of the growth and use of cotton is required.

§ 3.1-1084. Rules governing ballots, conduct of referendum, canvassing, etc.

The Agriculture Board shall adopt rules governing the ballots to be used, the conduct of the referendum, canvassing the results thereof, and declaring the results of any referendum provided for in this chapter. The Agriculture Board shall fix the date, hours, and voting places with respect to the holding of the referendum and may provide for voting by mail. No requirement of this section shall be governed by Article 2 (§ 9-6.14:7.1 et seq.) of the Administrative Process Act.

§ 3.1-1085. Management of referendum; notice.

The Commissioner shall, under the rules adopted by the Agriculture Board pursuant to § 3.1-1084, arrange for the use of any polling places, if necessary. The Commissioner shall, at least sixty days before the date on which a referendum is to be held, mail notice to the clerk of the circuit court in each locality where cotton is produced. The clerk of the court shall post the notice to the front door or public bulletin board of the courthouse and certify the posting to the Commissioner. The Commissioner shall, at least sixty days prior to the holding of any referendum under this chapter, publish notice of the referendum in a newspaper of daily general circulation in Richmond, Virginia, and send a notice of the referendum to a newspaper of general circulation in each locality in which cotton is produced.

Such notice shall contain the date, hours, voting places, and method of voting in the referendum; the amount of assessment to be collected, the means by which the assessment will be collected, and the general purposes for which the assessment will be used; and the rules adopted by the Agriculture Board pursuant to § 3.1-1084.

§ 3.1-1086. Persons eligible to vote.

Any person in the Commonwealth who produced at least one bale of cotton in the Commonwealth in the fiscal year preceding any referendum held pursuant to this chapter shall be eligible to vote in such referendum, provided that he so certifies on forms prepared by the Commissioner. Completed certification forms shall include the following information: (i) the full name, address, and, if applicable, title of producer if a partner or corporate officer; (ii) the name and locality of each handler of that producer's cotton in the fiscal year preceding the referendum; and (iii) any other information deemed necessary by the Commissioner to carry out the Commissioner's duties under this section. Any person who meets the requirements of this section shall be eligible to vote in the referendum, but no person shall be required to be a qualified voter in other respects. Natural persons, partnerships, or corporations may vote provided that such person is a resident of the Commonwealth or qualified to do business in the Commonwealth. The vote of a partnership shall be cast by one of the general partners. A corporation shall vote by its president, general manager, or such other person as may be authorized by the corporation to vote. Only one person per farming unit shall be eligible to vote in any referendum.

§ 3.1-1087. Distribution of ballots, etc.; canvass and declaration of results.

The Commissioner shall prepare and distribute in advance of the referendum all necessary ballots, certificates, and supplies required for the referendum. The Commissioner shall, within ten days after the referendum, canvass and publicly declare the results thereof and certify the same to the Governor and shall notify, by mail, each member of the Agriculture Board of the results.

§ 3.1-1088. Referendum results; action of Governor.

If the Governor finds the referendum in order, that at least fifty percent of those who have met the requirements of § 3.1-1086 have voted and that a majority of those voting are in favor of the assessment

for the purpose of conducting programs in research concerning, education on, and promotion of the growth and use of cotton, the Governor shall so proclaim. Upon such proclamation by the Governor, the Virginia Cotton Board, within the Virginia Department of Agriculture and Consumer Services, shall be established. The Governor shall appoint members to the Cotton Board in accordance with § 3.1-1093 within 180 days after the proclamation. If the Governor finds that one-half or more of those voting are in opposition to the assessment for the purpose of conducting programs in research concerning, education on, and promotion of the growth and use of cotton, then the Governor shall not so proclaim and the Cotton Board shall not be established.

§ 3.1-1089. Subsequent referenda.

If the Governor issues a proclamation pursuant to § 3.1-1088 and the Cotton Board is established, then no other referendum shall be held except that the Agriculture Board, upon petition by at least ten percent of the producers in the Commonwealth, shall provide for a referendum on the continuation of the Cotton Board and the assessment. The Agriculture Board shall not act on any such petition until at least five years have passed since the establishment of the Cotton Board, unless the number of petitioners exceeds fifty-five percent of the producers in the Commonwealth. Any referendum held under this section shall be conducted in accordance with §§ 3.1-1084 through 3.1-1087

§ 3.1-1090. Subsequent referendum results; action of Governor.

If the Governor finds any referendum held pursuant to § 3.1-1089 in order, that at least fifty percent of those have met the requirements of § 3.1-1086 have voted and that a majority of those voting are in opposition to the continuation of the Cotton Board and the assessment on cotton, the Governor shall so proclaim and upon such proclamation the Cotton Board will be discontinued. If the Governor finds that one-half or more of those voting are in favor of the continuation of the Cotton Board and the assessment on cotton, the Governor shall not so proclaim. The cost of conducting a referendum under this section shall be from funds paid into the Virginia Cotton Fund as established in § 3.1-1101.

§ 3.1-1091. Question to be printed on ballots.

A. The question to be printed on the ballots used in the referendum held under this chapter, except the referendum authorized in § 3.1-1089, shall be:

Do you favor additional research concerning, education on, and promotion of the growth and use of cotton; the creation of a Virginia Cotton Board; and the levy of an assessment of eighty-five cents per bale of cotton sold in the Commonwealth to support additional research concerning, education on, and promotion of the growth and use of cotton?

B. The question to be printed on the ballots used in any referendum authorized in § 3.1-1089 on the continuation of the Cotton Board shall be:

Do you favor the continuation of the Virginia Cotton Board and the continuation of the levy of an assessment of eighty-five cents per bale of cotton produced in the Commonwealth for the purpose of research concerning, education on, and promotion of the growth and use of cotton?

§ 3.1-1092. Production areas designated; addition of localities.

The following production areas are hereby designated for the purposes of this chapter:

Area I: Accomack and Northampton Counties and the Cities of Chesapeake, Suffolk and Virginia Beach;

Area II: Isle of Wight County;

Area III: Charles City, Essex, Henrico, King and Queen, King William, Lancaster, New Kent and Northumberland Counties;

Area IV: Prince George and Surry Counties;

Area V: Southampton County;

Area VI: Amelia, Dinwiddie and Sussex Counties; and

Area VII: Brunswick, Campbell and Greensville Counties.

In any case in which the production of cotton occurs in any locality that is not part of a production area as designated in this section, such locality shall be part of the nearest adjacent production area. If there are two or more nearest adjacent production areas, such locality shall be part of that production area which had the lowest cotton production in the most recent calendar year according to the records of the Virginia Department of Agriculture and Consumer Services.

§ 3.1-1093. Composition and appointment; quorum.

If the Governor issues a proclamation under § 3.1-1088 and the Cotton Board is established, the Cotton Board shall be composed of seven members appointed by the Governor, each of whom shall be a resident of Virginia and a producer in Virginia. The Governor shall be guided in his appointments from nominations made by the following agricultural organizations: (i) the Virginia Cotton Growers Association, Inc., (ii) the Virginia Farm Bureau Federation, and (iii) any other organization within the Commonwealth that is recognized by the United States Department of Agriculture as a certified cotton grower organization representing Virginia producers pursuant to guidelines authorized by the Cotton Research and Promotion Act (7 U.S.C. §§ 2101-2118). Each such agricultural organization may nominate producers from each production area. The Governor shall appoint a producer residing in each such production area. If no producer resides in a particular production area, the Governor shall appoint a qualified producer from any other production area. Four members of the Cotton Board shall

constitute a quorum.

§ 3.1-1094. Terms.

The Governor shall make the following initial appointments to the Cotton Board: three producers for three-year terms; two producers for two-year terms; and two producers for one-year terms. Thereafter appointments shall be for three-year terms. The Governor shall fill any vacancy occurring before the expiration of any term through appointment of a qualified producer for the unexpired term. If possible, such vacancies shall be filled from the production area from which the vacancy occurred. No person may serve more than two consecutive three-year terms.

§ 3.1-1095. Officers; compensation; powers and duties.

The Cotton Board shall elect a chairman, vice-chairman, and such other officers as the Cotton Board deems necessary. The Cotton Board shall have charge of the Virginia Cotton Fund established in the Virginia state treasury. Members of the Cotton Board shall be reimbursed for all actual expenses incurred in the attendance of meetings of the Cotton Board and any other Cotton Board-related activities as authorized by the Cotton Board.

§ 3.1-1096. Expenditures and contracts.

The Cotton Board may expend funds and enter into contracts in order to effectuate the purposes of this chapter.

§ 3.1-1097. Cooperation with other organizations.

The Cotton Board may cooperate with other state, regional, national, and international organizations in research concerning, education on, and promotion of cotton and may expend moneys from the Virginia Cotton Fund for such purpose.

§ 3.1-1098. Handler to deduct assessment from payment to producer; collection and disposition of assessment; reports.

A. Every handler shall deduct from payments for cotton that he makes to any producer an assessment of eighty-five cents per bale and shall remit such assessment to the Tax Commissioner on or before the last day of the month following the end of each calendar quarter. Such assessment shall be in addition to any moneys collected by the handler as authorized by the Cotton Research and Promotion Act (7 U.S.C. §§ 2101-2118). The Tax Commissioner shall promptly pay the assessments into the Virginia state treasury to the credit of the Virginia Cotton Fund.

B. Every handler shall complete reports on forms furnished by the Tax Commissioner, submit such reports to the Tax Commissioner along with the assessments submitted pursuant to subsection A, and keep copies of the reports for a period of not less than two years from the time the report was produced. Each report shall consist of information for the calendar quarter preceding the month such report is due and shall include the following: (i) the number of bales that the handler has purchased; (ii) the dollar amount of assessments collected by the handler; (iii) a list of producers who have paid an assessment for cotton sold to the handler; (iv) the dollar amounts of all assessments paid by each producer; and (v) any other information deemed necessary by the Tax Commissioner to carry out his duties under this chapter. Notwithstanding the provisions of § 58.1-3, upon request, the Tax Commissioner shall provide to the Cotton Board or the Commissioner copies of reports submitted pursuant to this section.

§ 3.1-1099. Records to be kept by handler.

Every handler shall maintain the following records for each purchase of cotton by the handler from a producer:

1. Full name and address of the producer;

2. Date of the purchase of cotton by the handler from such producer;

3. Number of bales purchased;

4. Amount paid, per pound and in total, for cotton purchase; and

5. Dollar amount of assessment collected by the handler from the producer.

The handler shall maintain such records for a period of not less than two years from the time of the purchase. Such records shall be open to the inspection of the Tax Commissioner and his duly authorized agents, and shall be established and maintained as required by the Tax Commissioner.

§ 3.1-1100. Assessment for initial referendum; expiration.

A. Beginning July 1, 1997, until sufficient moneys are collected to pay the cost of conducting the initial referendum, a fee of eighty-five cents per bale is hereby assessed on any cotton sold within the Commonwealth. The Tax Commissioner shall collect the assessment and shall pay any proceeds to the Department of Agriculture and Consumer Services for the purpose of conducting an initial referendum on the question of establishing a Cotton Board. No initial referendum may be held until sufficient funds to pay the cost of such referendum are collected.

B. If the initial referendum fails, any assessments collected in excess of the amount necessary to conduct such referendum shall be paid to the Tidewater Agricultural Research and Extension Center, Suffolk, Virginia, for use in cotton research or cotton-related educational activities. If the referendum is approved, such assessments shall be collected and administered in accordance with this chapter.

C. The provisions of this section shall expire on the date the Governor proclaims that the referendum has been approved.

§ 3.1-1101. Virginia Cotton Fund created; purpose; revenue-producing activities of Cotton Board.

A. The Cotton Board shall establish, administer, manage and make expenditures from a special, nonreverting fund in the state treasury to be known as the Virginia Cotton Fund. The Cotton Board shall establish and administer the Fund solely for the purpose of carrying out the provisions of this chapter. No provision of this chapter shall be construed to give the Cotton Board the authority to expend funds for legislative or political activity. The Fund shall consist of assessments paid pursuant to § 3.1-1098. The unexpended balance of the Fund at the end of the biennium shall not revert to the general fund of the state treasury, but shall remain in the Fund.

B. The Auditor of Public Accounts shall audit all the accounts of the Cotton Board as provided in § 2.1-155.

C. All money collected under this chapter shall be expended by the Cotton Board by warrants of the State Comptroller on vouchers signed by a duly authorized officer of the Cotton Board.

D. The Cotton Board, to help defray the costs of Cotton Board programs, may sell printed materials, rent exhibit space at meetings, and engage in any revenue-producing activity related to research concerning, education on, and promotion of the growth and use of cotton. The Cotton Board shall promptly pay the proceeds of any such revenue-producing activities into the Virginia Cotton Fund.

§ 3.1-1102. Collection of delinquent assessments; prosecutions.

If any handler fails to pay assessment money pursuant to § 3.1-1098 when due, the Tax Commissioner shall immediately notify the handler of such deficiency and shall add thereto a penalty of five percent of the amount due. If such deficiency is not paid within thirty days after the date of such notice, the amount of the deficiency shall bear interest, in accordance with § 58.1-15, from the date the amount was due, and the Tax Commissioner shall collect any interest as part of the delinquent amount. If any handler is delinquent in any payment of the money due or interest thereon, the amount shall be collected by civil action in the name of the Commonwealth at the direction of the Tax Commissioner, and any handler adjudged to be in default shall pay the cost of such action. The Attorney General, at the request of the Tax Commissioner, shall without delay, institute action in a court of competent jurisdiction for the collection of any money due under this chapter, including interest thereon.

§ 3.1-1103. Misdemeanors; prosecution.

It shall be a Class 1 misdemeanor:

1. For any handler to fail to submit to the Tax Commissioner any report required pursuant to § 3.1-1098 within sixty days after the time such report is required to be submitted.

2. For any handler knowingly to report falsely to the Tax Commissioner any information required pursuant to § 3.1-1098.

3. For any producer knowingly to report falsely to the Commissioner any information required pursuant to § 3.1-1086.

Prosecution shall be initiated by the attorney for the Commonwealth in any city or county within the Commonwealth.

§ 9-6.25:3. Supervisory boards.

There shall be, in addition to such others as may be designated in accordance with § 9-6.25, the following supervisory boards:

Alcoholic Beverage Control Board

Board for Branch Pilots

Board of Commissioners, Virginia Port Authority

Board of Game and Inland Fisheries

Board of Regents, Gunston Hall Plantation

Board of Regents, James Monroe Memorial Law Office and Library

Board of Trustees, Chippokes Plantation Farm Foundation

Board of Trustees, Frontier Culture Museum of Virginia

Board of Trustees, Jamestown-Yorktown Foundation

Board of Trustees, the Science Museum of Virginia

Board of Trustees, Virginia Museum of Fine Arts

Board of Trustees, Virginia Retirement System

Board of Trustees, Virginia Veterans Care Center Board of Trustees, Virginia War Memorial Foundation

Board of the Virginia Higher Education Tuition Trust Fund

Board of Visitors, Christopher Newport University

Board of Visitors, George Mason University

Board of Visitors, James Madison University

Board of Visitors, Longwood College

Board of Visitors, Mary Washington College

Board of Visitors, Norfolk State University

Board of Visitors, Old Dominion University

Board of Visitors, Radford University

Board of Visitors, The College of William and Mary in Virginia

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Board of Visitors, University of Virginia Board of Visitors, Virginia Commonwealth University Board of Visitors, Virginia Military Institute Board of Visitors, Virginia Polytechnic Institute and State University Board of Visitors, Virginia State University Charitable Gaming Commission Commonwealth's Attorneys' Services Council **Compensation Board** Governing Board, Virginia College Building Authority Governing Board, Virginia Public School Authority Motor Vehicle Dealer Board State Board for Community Colleges, Virginia Community College System State Board of Education State Certified Seed Board State Council of Higher Education for Virginia Virginia Agricultural Council Virginia Bright Flue-Cured Tobacco Board Virginia Board for People with Disabilities Virginia Cattle Industry Board Virginia Corn Board Virginia Cotton Board Virginia Dark-Fired Tobacco Board Virginia Egg Board Virginia Horse Industry Board Virginia Marine Products Board Virginia Peanut Board Virginia Pork Industry Board Virginia Soybean Board Virginia State Apple Board Virginia Sweet Potato Board.

2. That the provisions of this act which assess eighty-five cents per bale of cotton sold within the Commonwealth shall become effective only after a referendum as provided for in Chapter 44 (§ 3.1-1081 et seq.) of Title 3.1 has passed, except that the provisions of § 3.1-1100 shall become effective on July 1, 1997.