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HOUSE BILL NO. 2511

Offered January 21, 1999

A BILL to amend and reenact §§ 3.1-1081, 3.1-1092, 3.1-1093, 3.1-1094, 3.1-1098 and 3.1-1099 of the Code of Virginia, relating to the Virginia Cotton Board.

Patrons—Bloxom and Barlow

Referred to Committee on Agriculture

Be it enacted by the General Assembly of Virginia:

1. That §§ 3.1-1081, 3.1-1092, 3.1-1093, 3.1-1094, 3.1-1098 and 3.1-1099 of the Code of Virginia are amended and reenacted as follows:

§ 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~~ *which has been ginned and weighs approximately 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.

"Gin" means to remove seed and foreign matter from cotton and make it into a bale.

"Handler" means ~~the first purchaser of cotton from a producer~~ *a commercial enterprise which gins cotton.*

"Locality" means county, city, or town.

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

§ 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~~ *The Cities of Chesapeake, Virginia Beach and Suffolk;*

Area II: Isle of Wight County;

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

Area IV: Surry and Prince George Counties;

Area V: Southampton County;

Area VI: Dinwiddie, Sussex and Amelia Counties; ~~and~~

Area VII: Brunswick, Greensville and Campbell Counties; *and*

Area VIII: Accomack and Northampton 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~~ *eight* 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

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60 appoint a qualified producer from any other production area. ~~Four~~ Five members of the Cotton Board
61 shall constitute a quorum.

62 § 3.1-1094. Terms.

63 The Governor shall make the following initial appointments to the Cotton Board: three producers for
64 three-year terms; two producers for two-year terms; and two producers for one-year terms. *The Governor*
65 *shall appoint a producer residing in Production Area VIII no later than September, 25, 1999, for a term*
66 *which will expire September 25, 2002.* Thereafter appointments shall be for three-year terms. The
67 Governor shall fill any vacancy occurring before the expiration of any term through appointment of a
68 qualified producer for the unexpired term. If possible, such vacancies shall be filled from the production
69 area from which the vacancy occurred. No person may serve more than two consecutive three-year
70 terms.

71 § 3.1-1098. Handler to collect assessment for cotton ginned; collection and disposition of assessment;
72 reports.

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

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

91 § 3.1-1099. Records to be kept by handler.

92 Every handler shall maintain the following records for ~~each purchase of~~ *all* cotton *ginned* by the
93 handler ~~from a producer for the owner of the cotton~~:

- 94 1. Full name and address of the ~~producer~~ *owner of the cotton*;
- 95 2. Date ~~of the purchase of~~ *cotton was ginned by the handler from* for such ~~producer~~ owner;
- 96 3. Number of bales ~~purchased~~ *ginned*; and
- 97 4. ~~Amount paid, per pound and in total, for cotton purchase; and~~
- 98 5. Dollar amount of assessment collected by the handler from the ~~producer~~ owner.

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