

Senate Engrossed House Bill

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

CHAPTER 92

HOUSE BILL 2114

AN ACT

AMENDING SECTIONS 3-526.01, 3-526.02, 3-526.04, 3-526.06 AND 41-2706, ARIZONA
REVISED STATUTES; RELATING TO THE ICEBERG LETTUCE RESEARCH COUNCIL.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 3-526.01, Arizona Revised Statutes, is amended to
3 read:

4 3-526.01. Arizona iceberg lettuce research council;
5 appointment; term

6 A. The Arizona iceberg lettuce research council is established
7 consisting of seven producers appointed by the governor. The members shall
8 be appointed as follows:

9 1. Four producers from district one, including Yuma and La Paz
10 counties.

11 2. One producer from district two, including the remainder of the
12 iceberg lettuce producing areas in this state.

13 3. Two producers appointed at large.

14 B. The governor may consult with any recognized vegetable grower and
15 shipper organizations in this state in appointing members to the council.

16 C. The term of office of each council member is for three years
17 beginning January 1 and ending December 31 of the appropriate year. Members
18 are limited to two consecutive terms of office, except that a member who is
19 appointed to fill a vacancy may serve two consecutive terms plus the
20 unexpired term that fills the vacancy. A MEMBER WHO COMPLETES A SECOND
21 THREE-YEAR TERM IS INELIGIBLE FOR REAPPOINTMENT FOR ONE YEAR. On the
22 expiration of a term of a member or in the event of a vacancy, the governor
23 shall appoint a successor.

24 D. The office of a member is deemed vacant and the governor shall
25 appoint a person to fill the remainder of the term under any of the following
26 circumstances:

27 1. The member is no longer a producer.

28 2. The member is unable to perform his THE duties OF THE OFFICE.

29 3. The absence of the member from four consecutive council meetings
30 if the absences have not been excused by the council.

31 E. Members of the council are not eligible to receive compensation but
32 are eligible for reimbursement of expenses pursuant to title 38, chapter 4,
33 article 2.

34 Sec. 2. Section 3-526.02, Arizona Revised Statutes, is amended to
35 read:

36 3-526.02. Powers and duties of the council

37 A. The council shall:

38 1. Receive and disburse monies to be used in administering this
39 article.

40 2. Annually elect a chairman, secretary and treasurer from among its
41 members.

42 3. Meet at least once each calendar quarter or at such times as called
43 by the chairman or when requested by four or more members of the council. A
44 quorum consists of four or more members of the council.

1 4. Keep a permanent record of its proceedings and make these records
2 available for public inspection for any lawful purpose.

3 5. Prepare for the governor and the iceberg lettuce industry an annual
4 report of its activities, receipts and expenditures. A copy of the annual
5 report shall be available to any interested iceberg lettuce producer and the
6 general public on request.

7 ~~6. Provide for an annual audit of its accounts by a qualified public~~
8 ~~accounting firm and make an annual financial statement available to any~~
9 ~~producer and the auditor general on request.~~

10 7. 6. Organize and administer any referendum called under subsection
11 C, paragraph 11 of this section.

12 ~~8. 7. Prescribe fees to be assessed within the limits prescribed in~~
13 ~~section 3-526.04.~~

14 B. The council may authorize or contract for ~~programs relating to:~~

15 1. Research, development and survey programs concerning varietal
16 development.

17 2. Programs for lettuce pest eradication.

18 3. Programs concerning production, harvesting, handling and hauling
19 from field to market.

20 4. Any other programs, excluding sales or marketing, that the council
21 deems to be appropriate for the purposes of this article.

22 C. The council may:

23 1. Disseminate reliable information, including the results of research
24 studies, surveys and information obtained as a result of research.

25 2. Sue and be sued as a council, without individual liability, for
26 acts of the council within the scope of the powers and duties conferred on
27 it by this article.

28 3. Enter into contracts to carry out the purposes of this article,
29 including contracts for research and development of iceberg lettuce.

30 4. Appoint advisory groups composed of representatives from
31 organizations, institutions or businesses related to or interested in the
32 welfare of the iceberg lettuce industry.

33 5. Make grants to research agencies for financing appropriate studies,
34 or for purchase or acquisition of equipment and facilities consistent with
35 this article.

36 6. Employ or retain and fix the compensation of a qualified person or
37 a qualified entity to manage the affairs of the council on behalf of the
38 council and other personnel that are necessary to carry out the provisions
39 of this article.

40 7. Cooperate with any local, state or nationwide organization or
41 agency engaged in work or activities similar or related to those of the
42 council and enter into contracts with such organizations or agencies for
43 carrying on joint programs.

1 8. Act jointly and in cooperation with this state or any other state
2 or the federal government, and spend monies to administer any program deemed
3 by the council to be beneficial to the iceberg lettuce industry of this
4 state.

5 9. Adopt rules necessary to promptly and effectively administer this
6 article.

7 10. Accept grants, donations, contributions, gifts, property or
8 services or other assistance from public or private sources to further the
9 objectives of this article.

10 11. Refer to the iceberg lettuce producers in this state for an
11 advisory vote the question of setting fees or establishing or continuing any
12 program authorized by this article.

13 12. Investigate and prosecute in the name of this state any action or
14 suit to enforce the collection or ensure payment of the authorized fees.

15 13. PROVIDE FOR AN ANNUAL AUDIT OF ITS ACCOUNTS BY A QUALIFIED PUBLIC
16 ACCOUNTING FIRM AND, IF AN AUDIT OR FINANCIAL STATEMENT IS PREPARED, SHALL
17 MAKE THE AUDIT OR FINANCIAL STATEMENT AVAILABLE TO THE GENERAL PUBLIC AND THE
18 AUDITOR GENERAL ON REQUEST.

19 Sec. 3. Section 3-526.04, Arizona Revised Statutes, is amended to
20 read:

21 3-526.04. Fees; collection; budget

22 A. On or before July 1 of each calendar year, the council shall assess
23 a fee of not more than one-half cent per carton of packed iceberg lettuce or
24 bulk bins assessed according to forty-five pounds of equivalent weight of
25 iceberg lettuce prepared for market or an equivalent basis.

26 B. Each grower-shipper, shipper and handler shall keep a complete and
27 accurate record of all iceberg lettuce handled by such entities and the
28 producer. These records shall contain such information as required to be
29 kept for the citrus, fruit and vegetable revolving fund pursuant to articles
30 2 and 4 of this chapter and rules adopted pursuant to those articles.

31 C. Assessments shall be collected from the grower-shipper, shipper or
32 handler first marketing the iceberg lettuce being assessed. The
33 grower-shipper, shipper or handler is a trustee of the monies until they are
34 paid to the council at the time and in the manner prescribed by the council.
35 An iceberg lettuce producer is responsible for paying the fee unless the fee
36 is withheld for payment by the grower-shipper, shipper or handler first
37 marketing the iceberg lettuce.

38 D. Before establishing the annual fee, the council shall establish a
39 budget. The budget is effective on approval of the council.

40 E. Title 41, chapter 6 does not apply to setting and collecting the
41 fee under this section, but the council shall provide thirty days' advance
42 notice of the meeting at which the ANY fee will be adopted INCREASED and the
43 amount of the proposed fee. The council shall receive public testimony at
44 the meeting regarding the fee.

1 Sec. 4. Section 3-526.06, Arizona Revised Statutes, is amended to
2 read:

3 3-526.06. Deposit of fees; use on termination

4 A. Monies collected pursuant to section 3-526.04 shall be deposited
5 in the council's accounts to be THAT ARE administered by the department AS
6 THE COUNCIL'S AGENT and disbursed as approved by the council for the purposes
7 prescribed in this article.

8 B. If the council is terminated, any monies in the council's accounts
9 shall be expended to meet existing legal obligations of the council. The
10 council shall expend any remaining monies on any program consistent with this
11 article.

12 C. The monies in the account may be invested pursuant to section
13 35-313. Interest earned on these monies shall be credited to the account.

14 Sec. 5. Section 41-2706, Arizona Revised Statutes, is amended to read:

15 41-2706. Applicability of chapter

16 A. This chapter applies to the solicitation of grants initiated after
17 August 6, 1999.

18 B. This chapter does not apply to:

19 1. Any grant program that was exempt from chapter 23, article 3 of
20 this title and for which administrative rules establishing grant solicitation
21 procedures were adopted pursuant to chapter 6 of this title before August 6,
22 1999.

23 2. The Arizona board of regents and schools, colleges, institutions
24 and universities under its control if the Arizona board of regents adopts
25 rules or policies governing the award of grants that encourage as much
26 competition as practicable.

27 3. Grants made by the cotton research and protection council for
28 research programs related to cotton production or protection.

29 4. GRANTS MADE BY THE ARIZONA ICEBERG LETTUCE RESEARCH COUNCIL FOR
30 RESEARCH PROGRAMS UNDER SECTION 3-526.02, SUBSECTION C, PARAGRAPH 3 OR 5.

APPROVED BY THE GOVERNOR APRIL 16, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 16, 2004.



Passed the House February 3, 2004,

Passed the Senate April 6, 2004,

by the following vote: 56 Ayes,
1 Nays, 3 Not Voting

by the following vote: 23 Ayes,
6 Nays, 1 Not Voting

Jake Flake
Speaker of the House

Ken Blumenthal
President of the Senate

Spoman L. Moore
Chief Clerk of the House

Charmine Billington
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this
_____ day of _____, 20____,
at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of
_____, 20____,
at _____ o'clock _____ M.

Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State
this _____ day of _____, 20____,
at _____ o'clock _____ M.

Secretary of State

H.B. 2114

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 12, 2004,

by the following vote: 55 Ayes,

2 Nays, 3 Not Voting

Jake Flake
Speaker of the House

Norman L. Moore
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this
12th day of April, 2004,

at 2:40 o'clock P. M.

Jennifer Ybarra
Secretary to the Governor

Approved this 16 day of

Apr. 1, 2004,

at 12⁰⁵ o'clock P. M.

Jt. Rep. K
Governor of Arizona

H.B. 2114

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 16 day of April, 2004,

at 4:33 o'clock P. M.

Janice K. Brewer
Secretary of State