ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature First Regular Session

House: LARA DPA 9-0-0-0

HB 2507: grain research council; continuation Sponsor: Representative Diaz, LD 19 House Engrossed

Overview

Continues the Arizona Grain Research and Promotion Council for 8 years.

<u>History</u>

The Arizona Grain Research and Promotion Council was created in 1985 to promote and develop Arizona's grain industry (<u>Laws 1985, Chapter 63</u>). It consists of seven Arizona grain producers who are appointed by the governor to three-year terms (<u>A.R.S. § 3-582</u>). The council may:

- 1) Cooperate with public and private organizations to develop and expand markets and reduce the costs of marketing grain and grain products;
- 2) Participate in or make grants for studies, research projects and programs to reduce water consumption, develop new grain varietals, improve production and handling methods and research and design new or improved harvesting and handling equipment; and
- 3) Be involved in programs or projects to provide education, publicity or other assistance to develop the state's grain industry (A.R.S. § 3-584).

To finance its activities, the council may assess a fee of up to \$0.05 per hundredweight (CWT) of grain sold through commercial channels, such as for food, feed or seed. However, the council has never charged the full \$0.05 per CWT for this fee. Instead, this fee has generally remained at \$0.02 per CWT since 1986. The council recently increased this fee to \$0.03 per CWT (which equates to about \$0.59 per ton) for 2023. The first purchaser of the grain collects this fee from the producer and remits it to the council (A.R.S. § 3-587). The fees are deposited in the council's trust fund (A.R.S. § 3-590). A producer may request that the council refund the fee within 60 days of when it was paid (A.R.S. § 3-592).

The Arizona Grain Research and Promotion Council will terminate on July 1, 2023 (A.R.S. § 41-3023.04). At its <u>January 19, 2023 meeting</u>, the Senate Natural Resources, Energy & Water and House Land, Agriculture & Rural Affairs Joint Committee of Reference recommended that the council be continued for 8 years.

Provisions

- 1. Continues, retroactive to July 1, 2023, the Arizona Grain Research and Promotion Council until July 1, 2031. (Sec. 1, 2 and 4)
- 2. Repeals the Arizona Grain Research and Promotion Council on January 1, 2032. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)

| ☐ Prop 105 (45 votes) | ☐ Prop 108 (40 votes) | ☐ Emergency (40 votes) | ☐ Fiscal Note | |
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