

Introduced by

Senators Krebsbach, Grindberg, Hogue, O'Connell

Representatives Belter, Kempenich

1 A BILL ~~for an Act to create and enact chapter 4-1-07.1 of the North Dakota Century Code,~~  
2 ~~relating to a grape and wine assessment; to amend and reenact sections 4-24-09 and 4-24-10-~~  
3 ~~of the North Dakota Century Code, relating to agricultural commodity assessment funds and~~  
4 ~~reports; to provide a penalty; to provide an appropriation; to provide a continuing appropriation;~~  
5 ~~and to provide a contingent effective date.~~ for an Act to create and enact a new section to  
6 chapter 4-01 of the North Dakota Century Code, relating to the grape and wine advisory  
7 committee; and to provide an appropriation.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 ~~— **SECTION 1. AMENDMENT.** Section 4-24-09 of the North Dakota Century Code is amended~~  
10 ~~and reenacted as follows:~~  
11 ~~— **4-24-09. Agricultural commodity assessments funds – Investment income allocation.**~~  
12 ~~— The state treasurer, notwithstanding any other provision of law to the contrary, shall invest~~  
13 ~~in accordance with section 21-10-07 all available moneys in the spudpotato fund, oilseed fund,~~  
14 ~~dry bean fund, dry pea and lentil fund, barley fund, soybean fund, corn fund, honey fund, turkey~~  
15 ~~fund, milk stabilization fund, dairy promotion commission fund, state wheat commission fund,~~  
16 ~~ethanol fund, and the beef commission fund, and grape and wine fund. The investment of~~  
17 ~~moneys must be made in cooperation with the governing body of the respective agricultural~~  
18 ~~commodity entity. The state treasurer shall establish, in cooperation with the agricultural~~  
19 ~~commodity organizations, guidelines to be followed regarding the investment of moneys in each~~  
20 ~~fund. The state treasurer shall credit twenty percent of the investment income derived from each~~  
21 ~~fund to the general fund in the state treasury as payment for accounting, printing, data~~  
22 ~~processing, legal, and other services when provided without cost by the state to the agricultural~~  
23 ~~commodity entity. The state treasurer shall credit eighty percent of the investment income~~  
24 ~~derived from each fund to the respective fund.~~

1 — ~~**SECTION 2. AMENDMENT.** Section 4-24-10 of the North Dakota Century Code is amended~~  
2 ~~and reenacted as follows:~~

3 — ~~**4-24-10. Agricultural commodity promotion groups to report to legislative assembly**~~—  
4 ~~**Report contents.**~~

5 — ~~Between the first and tenth legislative day of each regular legislative session, the North~~  
6 ~~Dakota ethanol council, the North Dakota potato council, the North Dakota oilseed council, the~~  
7 ~~North Dakota dry bean council, the North Dakota dry pea and lentil council, the North Dakota~~  
8 ~~barley council, the North Dakota soybean council, the North Dakota corn utilization council, the~~  
9 ~~North Dakota beekeepers association, the North Dakota turkey federation, the North Dakota~~  
10 ~~milk marketing board, the North Dakota dairy promotion commission, the North Dakota state~~  
11 ~~wheat commission, and the North Dakota beef commission, and the North Dakota grape and~~  
12 ~~wine association must file a uniform report at a public hearing before the standing agriculture~~  
13 ~~committee of each house of the legislative assembly. The presiding officer of each house of the~~  
14 ~~legislative assembly may direct that the reports be filed with some other standing committee of~~  
15 ~~that house. Each report must contain a summary of the activities of the commodity group during~~  
16 ~~the current biennium, a single page uniform statement of revenues and expenditures for the~~  
17 ~~next biennium. Each report, except the reports of the North Dakota beekeepers association and~~  
18 ~~the North Dakota turkey federation, must also include a state auditor's report on the commodity~~  
19 ~~group's single page uniform statement of revenues and expenditures for the previous two fiscal~~  
20 ~~years.~~

21 — ~~**SECTION 3.** Chapter 4.1-07.1 of the North Dakota Century Code is created and enacted as~~  
22 ~~follows:~~

23 — ~~**4.1-07.1-01. Assessment.**~~

24 — ~~An assessment in the amount of one cent must be imposed on each pound of grapes sold~~  
25 ~~or otherwise provided by a producer to a bonded winery in this state.~~

26 — ~~**4.1-07.1-02. Submission of assessment - Civil penalty.**~~

27 — ~~1. The owner of the bonded winery shall collect the assessment from the producer and~~  
28 ~~forward all assessments to the agriculture commissioner at the time and in the manner~~  
29 ~~established by the commissioner after consultation with the North Dakota grape and~~  
30 ~~wine association.~~

1 — ~~2. If the owner of a bonded winery fails to submit the assessments as required by this~~  
2 ~~section, the commissioner may impose a penalty equal to five percent of the amount~~  
3 ~~due, plus interest at the rate of six percent per annum from the due date.~~

4 — ~~**4.1-07.1-03. Grape and wine fund – Continuing appropriation.**~~

5 — ~~The agriculture commissioner shall forward all moneys received under this chapter to the~~  
6 ~~state treasurer for deposit in a special fund known as the grape and wine fund. All moneys in~~  
7 ~~the grape and wine fund are appropriated on a continuing basis to the commissioner to carry~~  
8 ~~out this chapter.~~

9 — ~~**4.1-07.1-04. Authorized expenditures.**~~

10 — ~~The assessment required by this chapter may be used to fund research, education~~  
11 ~~programs, and market development efforts, as well as participation in and support of programs~~  
12 ~~or efforts to promote the grape and wine industry in this state.~~

13 — ~~**4.1-07.1-05. Powers of the commissioner.**~~

14 — ~~The commissioner may:~~

15 — ~~1. Accept gifts, grants, and donations of money, property, and services for the purposes~~  
16 ~~set forth in section 4.1-07.1-04;~~

17 — ~~2. Expend moneys received under this chapter for the purposes set forth in section~~  
18 ~~4.1-07.1-04, provided the commissioner first consults with the grape and wine advisory~~  
19 ~~committee; and~~

20 — ~~3. Do all things necessary and proper to enforce and administer this chapter.~~

21 — ~~**4.1-07.1-06. Penalty.**~~

22 — ~~Any person willfully violating this chapter is guilty of a class B misdemeanor.~~

23 — ~~**4.1-07.1-07. Grape and wine advisory committee.**~~

24 — ~~The agriculture commissioner shall appoint a grape and wine advisory committee. The~~  
25 ~~committee must include:~~

26 — ~~1. Two individuals who are grape producers;~~

27 — ~~2. Two individuals who own wineries located in this state; and~~

28 — ~~3. One representative of the North Dakota grape and wine association.~~

29 — ~~**SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general~~  
30 ~~fund in the state treasury, not otherwise appropriated, the sum of \$350,000, or so much of the~~  
31 ~~sum as may be necessary, to the agriculture commissioner for the purpose of funding research,~~

1 education programs, and market development efforts, pertaining to the grape and wine industry  
2 in this state, as well as participation in and support of programs and efforts to promote the grape  
3 and wine industry in this state, for the biennium beginning July 1, 2013, and ending June 30,  
4 2015.

5 ~~SECTION 5. CONTINGENT EFFECTIVE DATE.~~ Sections 1 through 3 of this Act become  
6 effective on the date the state treasurer certifies to the agriculture commissioner that the  
7 balance in the grape and wine fund is at least equal to \$350,000. The state treasurer shall notify  
8 the legislative council of the date of the certification and refer to chapter 4.1-07.1 in the notice.

9 **SECTION 1.** A new section to chapter 4-01 of the North Dakota Century Code is created  
10 and enacted as follows:

11 **Grape and wine advisory committee - Membership.**

12 The agriculture commissioner shall appoint a grape and wine advisory committee. The  
13 committee must include:

- 14 1. Two individuals who are grape producers;
- 15 2. One individual who is the producer of a fruit, other than grapes, used in vinification;
- 16 3. Two individuals who own wineries located in this state; and
- 17 4. One representative of the North Dakota grape and wine association.

18 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general  
19 fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the  
20 sum as may be necessary, to the agriculture commissioner for the purpose of awarding grape  
21 and wine industry grants, for the biennium beginning July 1, 2013, and ending June 30, 2015.  
22 Grants awarded under this section must be used to provide research in support of or to promote  
23 the grape and wine industry in this state. The commissioner shall consult with the grape and  
24 wine advisory committee before selecting the grant recipients.