

MINNESOTA CORN RESEARCH AND PROMOTION COUNCIL

PROMOTION ORDER

Authorized under Minnesota Agricultural Commodities Promotion Act,
Minnesota Statutes 1969, Sections 17.51 - 17.69.

I. PURPOSE:

The purpose of this Promotion Order is to provide funds for the establishment of market development and research projects to aid, assist and enhance the Minnesota corn producing industry and to promote the sale, marketing, production and distribution of corn and corn products. This may include, but not be limited to:

- A. Participation in and cooperation with state, regional, national, or international activities, groups and organizations that assist in developing new markets, expanding existing markets and reducing costs of marketing corn and corn products.
- B. Participation in and development of research projects and programs that will assist in the development of the Minnesota corn industry.
- C. Participation in and development of education and information programs, alone or with other groups and organizations, that will assist in the development of the Minnesota corn industry.

II. DEFINITIONS:

- A. "Council" means the Minnesota Corn Research and Promotion Council as defined by the Commodities Promotion Act, Minnesota Statutes, Sections 17.51 to 17.69.
- B. "Commissioner" means the Commissioner of Agriculture of the State of Minnesota or designee.
- C. "Producer" means any person who owns or operates a corn growing facility and shares in the profits and risk of loss from such operation and who plants, raises and harvests corn.
- D. "First Purchaser" means a buyer of corn as defined in Section 17.53, Subdivision 8 of the Commodities Promotion Act.
- E. "Corn" means corn of the species *Zea Maize* grown or sold in Minnesota.
- F. "Marketing Year" means a one (1) year period from October 1st through the last day of September of the following year.
- G. "Qualified Voter" means a Producer who would be subject to the payment of fees to finance the activities described in this Promotion Order and who meets certification requirements set by the Council.

III. BUDGET AND FEES:

- A. Before each marketing year begins, the Council shall submit to the Commissioner a proposed budget to carry out the purposes of this order. The budget shall go into effect at the beginning of each marketing year but may be altered from time to time by the Council and resubmitted to the Commissioner. The budget shall be made public.
- B. The Council, to provide funds to carry out the purposes of this Promotion Order, shall impose a fee of one cent (\$.01) per bushel on all corn grown or sold in commercial channels.
- C. The fee shall be deducted by the First Purchaser at the time of transfer of title or when settlement is made.
- D. Exemptions to the check-off fee include: popcorn, sweet corn, seed corn, occasional sales between farmers for livestock feed and corn under Commodity Credit Corporation loan or forfeited to the Commodity Credit Corporation.
- E. Fees shall be collected by the First Purchaser and remitted to the Council in accordance with such forms, procedures and periodic reports or returns as the Council shall prescribe. All fees collected shall be remitted to the Council on or before the 10th day of the month following the collection of the fee or as prescribed by the Council.

IV. HANDLING OF FUNDS:

- A. Check-off fees collected shall be deposited in a federally insured depository and shall be disbursed by the officers and employees approved by the Council for the necessary expenses incurred in the administration of this Promotion Order.
- B. Funds may be disbursed only by persons approved by the Council.
- C. All persons authorized to control, handle or disburse funds shall provide bonds in such manner and amount as may be required by the Council.

V. REFUND OF FEES:

- A. Any Producer may, by the use of forms provided by the Commissioner and upon presentation of such proof as the Commissioner requires, have the fee paid pursuant to this Promotion Order refunded, provided the check-off fee was remitted on a timely basis. The request for refund must be received by the Commissioner within 60 days following the payment of the fee. In no event shall these requests for refund be accepted more often than 12 times per year. Refund shall be made by the Commissioner and Council within 30 days of the request for refund, provided that the check-off fee sought to be refunded has been received. The Council shall adopt such procedures as are necessary to insure prompt refunds as requested.

B. In lieu of a refund under Paragraph A, the Commissioner will allow Producers to make partial refund requests and allow for assignment of such partial refunds to pay membership dues for the Minnesota Corn Growers Association. ("Association") as provided in this paragraph. This Partial Refund Program is authorized under Minnesota Statue 17.63 as amended by 1992 Minnesota Laws, Chapter 513, Article 2, Section 14. The Council and the Commissioner will administer the Partial Refund Program as follows:

1. The Producer must fill out (at least) in triplicate an application and assignment form setting forth the Producer's desire (i) to join or renew membership in the Association and (ii) to assign a specified portion of the refund to the Association. The format of the application and assignment form must be approved by the Commissioner.
2. The application and assignment form must contain a certification by the Producer showing that a sufficient amount of corn was sold to provide adequate fees for the assignment requested.
3. The Producer, the Commissioner and the Council shall receive copies of completed application and assignment forms.
4. The Council shall make payment to the Association based on the number of completed application and assignment forms received.
5. The Council will monitor partial refund payments made pursuant to this paragraph to ensure that Producers do not receive full or partial refunds in an amount greater than the amount of the original fee paid.

VI. VIOLATION:

Any person who violates any provision of Minnesota Statutes, Section 17.51 to 17.69, or any rule of the Commissioner promulgated pursuant thereto is guilty of a misdemeanor. Any first handler who fails to make collections or fails to file a return or to pay any assessment within the time required by Section 17.51 to 17.69, or who files a falsified return, shall be liable to the Council for the amount due, plus a penalty of six percent (6%) of the amount due, plus one percent (1%) of the amount for each month of delay. If satisfied that the delay was excusable, the Council may return all or any part of the penalty. Penalties shall be paid to the Council and handled as provided with respect to any other money collected under the Commodity Promotions Act.

VII. MODIFICATION OF THE ORDER:

If, after consultation with the Council, the Commissioner determines that this Promotion Order should be modified or amended in order to effectuate the purposes of the Commodities Promotion Act, the Commissioner and Council shall proceed to modify or amend in a manner they deem fair and reasonable. The modification or amendment must be minor or insubstantial and must not materially alter the rights, privileges or duties of producers.

VIII. TERMINATION OF THE ORDER:

A. By the Council:

The Council, after consultation with the Commissioner, and by majority vote, shall suspend or terminate this Promotion Order whenever it finds, after a public hearing, that the order is contrary to or does not effectuate the purposes or provisions of the Commodity Promotion Act. Suspension or termination shall not become effective until the expiration of the current marketing year.

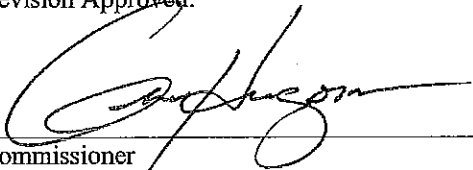
B. By Referendum:

Upon petition of the same number of Producers as required to initiate the Promotion Order, the Commissioner shall within 60 days conduct a referendum to determine whether or not the Promotion Order shall be continued. The Commissioner shall terminate the Promotion Order at the end of the current marketing year if a majority of the Producers voting in the referendum vote in favor of termination. The petition of Producers shall include a statement certifying that the signatures are those of qualified voters. The Commissioner shall not conduct a referendum for termination of this Promotion Order if a referendum for termination has been conducted within the preceding year. A hearing for termination of this order need not be held.

IX. NOTE:

Any subject not specifically described in the above shall comply with the Commodities Promotion Act, Minnesota Statutes, Section 17.51 to 17.69.

Revision Approved:



Commissioner
Minnesota Department of Agriculture

1-27-09
Date

Adopted: 02/21/90
Revised: 04/12/96
Revised: 01/27/09