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IN THE SENATE

SENATE BILL NO. 1074

BY AGRICULTURAL AFFAIRS COMMITTEE

AN ACT RELATING TO THE IDAHO HONEY COMMISSION; AMENDING SECTION 22-2803, IDAHO CODE, TO REVISE THE NAME OF THE COMMISSION; REPEALING SECTION 22-2804, IDAHO CODE, RELATING TO MEMBERS OF THE IDAHO HONEY ADVERTISING COMMIS-SION; AMENDING CHAPTER 28, TITLE 22, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 22-2804, IDAHO CODE, TO PROVIDE FOR THE IDAHO HONEY COMMISSION, TO PROVIDE FOR MEMBERS, TO PROVIDE QUALIFICATIONS, TO PROVIDE THAT THE IDAHO HONEY INDUSTRY ASSOCIATION MAY REQUEST THE REMOVAL OF A MEMBER, TO PROVIDE FOR NOMINATION AND APPOINTMENT OF MEMBERS, TO PROVIDE FOR TERMS, TO PROVIDE FOR THE ELECTION OF A CHAIRMAN AND DELEGATION OF THE FUNCTION OF THE COMMISSION, TO PROVIDE FOR A QUORUM, TO PROVIDE FOR OATHS, TO PROVIDE FOR COMPENSATION AND TO PROVIDE FOR MEETINGS; AMEND-ING SECTION 22-2806, IDAHO CODE, TO REVISE THE NAME OF THE COMMISSION; AMENDING SECTION 22-2809, IDAHO CODE, TO PROVIDE THAT CERTAIN REGIS-TERED BEEKEEPERS SHALL NOT VOTE AT REFERENDUMS AND TO REVISE THE NAME OF A FUND; AMENDING SECTIONS 22-2813 AND 22-2814, IDAHO CODE, TO REVISE THE NAME OF A FUND; AND AMENDING SECTIONS 67-450D AND 67-5303, IDAHO CODE,

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 22-2803, Idaho Code, be, and the same is hereby amended to read as follows:

TO REVISE THE NAME OF THE COMMISSION; AND DECLARING AN EMERGENCY.

22-2803. DEFINITIONS. Whenever used or referred to in this chapter, unless a different meaning clearly appears from the context:

- (1) "Commission" means the Idaho honey advertising commission.
- (2) "Honey producer" or "beekeeper" means a person, firm or corporation engaged in the art of raising, harboring, keeping or breeding domesticated honey bees either for the purpose of gathering honey or the production of queens and/or packaged bees.
- (3) "Honey by-products" means items using honey as a base such as creamed honey, whipped honey, or the like.
- (4) "Packer" means any honey producer or beekeeper or person who processes and packs honey for commercial retail sales.
- (5) "Person" includes an individual, partnership, corporation, firm, association and agent.
- (6) "Director" means the director of the Idaho state department of agriculture or his designated representative.
- (7) "Official sample" means a sample of honey taken by the director or an authorized agent in accordance with the provisions of section 22-2810, Idaho Code.
- SECTION 2. That Section $\underline{22-2804}$, Idaho Code, be, and the same is hereby repealed.

SECTION 3. That Chapter 28, Title 22, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 22-2804, Idaho Code, and to read as follows:

- 22-2804. COMMISSION -- MEMBERS -- QUALIFICATIONS -- APPOINTMENT -- COMPENSATION. (1) There is hereby created and established in the department of agriculture the Idaho honey commission to be known and designated as such, and shall be composed of the director of the department and three (3) members who shall be honey producers or beekeepers.
- (2) Each member shall be a resident citizen of the state of Idaho for a period of five (5) years prior to his appointment, shall be a commercial beekeeper as defined in section 22-2502, Idaho Code, actively engaged in honey production, registered as a beekeeper with the Idaho department of agriculture, and deriving a substantial portion of his income from honey production, or be the directing or managing head of a corporation, firm, partnership or other business unit that derives a substantial portion of its income from honey production. To continue as a member of the commission each member must remain qualified pursuant to the provisions of this section.
- (3) The executive committee of the Idaho honey industry association may request the removal of a commissioner, with or without cause, by a majority vote. Upon receipt of such a request, the governor may immediately withdraw the commissioner's appointment.
- (4) The Idaho honey industry association shall meet for the purpose of nominating members of the commission. The board of directors shall review the names of active beekeepers in Idaho that meet the qualifications as provided in this section. By June 1 of each year, the names of two (2) honey producers or beekeepers nominated by the association for each vacancy occurring on the commission shall be submitted to the governor for his consideration. From such list of nominees, the governor shall designate and appoint one (1) member for each vacancy on the commission.
- (5) Members shall serve for a term of three (3) years. Terms shall expire on the last day of June of the year in which the term for which the members was appointed terminates. Provided however, each member shall serve until his respective successor is appointed and qualified. Appointments to fill vacancies shall be for the balance of the unexpired term. On and after the effective date of this act, terms that are currently vacant or held by the commission members shall expire and be filled on the following schedule: one (1) member term shall expire on June 30, 2015; one (1) member term shall expire on June 30, 2017.
- (6) Commission members shall elect a chairman. The chairman may delegate the function of the Idaho honey commission to an administrator whose function will be subject to the approval of the Idaho honey commission.
- (7) A majority of the members of the commission shall constitute a quorum for the transaction of all business and the carrying out of the duties of the commission. Before entering on the discharge of their duties as members of the commission, each member shall take and subscribe to the oath of office prescribed by law.
- (8) Each member of the commission shall be compensated as provided by section 59-509(n), Idaho Code. The commission shall meet regularly once each fiscal year at a date established by said commission in its designated

business office, and it shall fix the time and place of special meetings as may be deemed necessary by the chairman of the commission.

SECTION 4. That Section 22-2806, Idaho Code, be, and the same is hereby amended to read as follows:

22-2806. ADMINISTRATION, WHERE VESTED. The administration of this act shall be vested in the Idaho honey advertising commission which shall administer the taxes levied and imposed by this act.

SECTION 5. That Section 22-2809, Idaho Code, be, and the same is hereby amended to read as follows:

22-2809. LEVY AND COLLECTION OF TAXES -- CHANGE OF TAX BY REFERENDUM -- VIOLATIONS -- PENALTY. (1) There is hereby levied and imposed upon each colony or hive of bees within the state of Idaho on July 1 of each year a continuing annual tax of five cents (5¢) per hive or colony of bees beginning in the year 1970 for the purpose of carrying out the provisions of this chapter. Hobbyist beekeepers, as defined in chapter 25, title 22, Idaho Code, are exempt from taxation under this section. Provided however, that any hobbyist beekeeper who desires to support the efforts of the commission, as set forth in section 22-2807, Idaho Code, and desires to be included in registration lists distributed as authorized under section 22-2815, Idaho Code, may register with the commission for that purpose by remitting an annual registration fee of ten dollars (\$10.00).

- (2) The tax may be decreased to not less than three cents (3¢) per hive or colony per year or it may be increased to not more than ten cents (10¢) per hive or colony per year, if approved by a majority of the beekeepers voting in a referendum held for the purpose of determining whether such levy of the tax shall or shall not be changed. If the levy of the tax is changed, the levy of the tax will continue annually at the changed rate until again changed by another referendum. Any resident of Idaho who is a registered Idaho beekeeper with the department of agriculture, and is not exempt from taxation as provided in subsection (1) of this section, may vote at such referendum. Any referendum held for the purpose of changing the levy of such tax shall be held at the annual meeting of the Idaho honey industry association or any successor organization to this group.
- (3) Notice of the tax provided for in this section shall be mailed no later than June 1 and the tax shall be due and payable on or before July 1 of each year, and it shall be collected by the Idaho department of agriculture and shall forthwith be paid over by the Idaho department of agriculture to the Idaho honey advertising fund.
- (4) Said tax shall be a lien upon all apicultural products, equipment, bees and property of the person owning or controlling such bees and shall be prior to all other liens or encumbrances except liens which are declared prior by operation of the statutes of this state.
- (5) Hives brought into the state for indoor winter storage prior to moving to another state for pollination or honey production are exempt from paying fees and taxes as provided for in this section. Provided however, registration shall be required and a minimum of the following information shall be supplied: location of the storage, approximate dates the hive or hives

will be brought into and leave the state, name, address and telephone number of the owner of the bees, and name, address and telephone number of an in-state contact who will have knowledge of the hive or hives being stored in the state.

SECTION 6. That Section 22-2813, Idaho Code, be, and the same is hereby amended to read as follows:

22-2813. PAYMENT OF EXPENSES AND COSTS. All expenses and costs incurred in the administration of this chapter shall be paid out of the Idaho honey advertising fund. The commission shall keep an accurate record of all costs and expenditures and will report the same by publication on October 1st of each year. All expenses and costs incurred and contracted for by the commission in performing its duties under this chapter shall be paid out of such Idaho honey advertising fund in the following manner: vouchers shall be approved and submitted by the commission chairman to the director or his designated representative of the Idaho state department of agriculture for approval and subsequent issuance of a warrant by the state controller.

SECTION 7. That Section 22-2814, Idaho Code, be, and the same is hereby amended to read as follows:

22-2814. CREDITING OF FUNDS. All moneys which have heretofore been credited to the general fund under the provisions of this chapter are hereby transferred to the Idaho honey advertising fund.

SECTION 8. That Section 67-450D, Idaho Code, be, and the same is hereby amended to read as follows:

67-450D. INDEPENDENT FINANCIAL AUDITS -- DESIGNATED ENTITIES. (1) Notwithstanding any other provisions of the Idaho Code relating to audit requirements regarding the entities hereinafter designated, beginning on July 1, 2010, the requirements set forth in this section shall constitute the minimum audit requirements for the following entities:

Alfalfa and clover seed commission;

Idaho apple commission;

Idaho aquaculture commission;

Idaho barley commission;

Idaho bean commission;

Idaho beef council;

Idaho cherry commission;

Idaho dairy products commission;

Idaho food quality assurance institute;

Idaho forest products commission;

Idaho grape growers and wine producers commission;

Idaho honey advertising commission;

Idaho hop grower's commission;

42 Idaho mint commission;

Idaho oilseed commission;

Idaho pea and lentil commission;

45 Commission on pesticide management;

Idaho potato commission;

Idaho rangeland resources commission;

Soil and water conservation commission;

Idaho wheat commission.

- (2) The minimum requirements for any audit performed under the provisions of this section are:
 - (a) Any entity whose annual expenditures (from all sources) exceed two hundred fifty thousand dollars (\$250,000) shall cause a full and complete audit of its financial statements to be made each fiscal year.
 - Any entity whose annual expenditures (from all sources) exceed one hundred thousand dollars (\$100,000), but do not exceed two hundred fifty thousand dollars (\$250,000), in the current year shall have an annual audit or may elect to have its financial statements audited on a biennial basis. The first year that expenditures exceed one hundred thousand dollars (\$100,000) is the first year of the biennial audit period. The designated entity may continue the biennial audit cycle in subsequent years as long as the entity's annual expenditures during the first year of the biennial audit period do not exceed two hundred fifty thousand dollars (\$250,000). In the event that annual expenditures exceed two hundred fifty thousand dollars (\$250,000) in the current year following a year in which a biennial audit was completed, the designated entity shall complete an annual audit. In the event that annual expenditures in the current year do not exceed one hundred thousand dollars (\$100,000) following a year in which an annual or biennial audit was completed, the designated entity has no minimum audit requirement.
 - (c) Any entity whose annual expenditures (from all sources) do not exceed one hundred thousand dollars (\$100,000) has no minimum audit requirements under the provisions of this section.
 - (d) Federal audit requirements applicable because of expenditure of federal assistance supersede the minimum audit requirements provided in this section.
- (3) All moneys received or expended by the entities identified in subsection (1) of this section shall be audited as specified in subsection (2) of this section by a certified public accountant designated by the entity, who shall furnish a copy of such audit to the director of the legislative services office and to the senate agricultural affairs committee and the house agricultural affairs committee. The audit shall be completed within ninety (90) days following the close of the commission's fiscal year.
- (4) Any entity identified in subsection (1) of this section that is not audited pursuant to the provisions of this section shall submit an unaudited annual statement of revenues, expenditures and fund balances to the director of the legislative services office, to the senate agricultural affairs committee and the house agricultural affairs committee, to the state controller and to the division of financial management.
- (5) The right is reserved to the state of Idaho to audit the funds of the entities identified in this section at any time.

SECTION 9. That Section 67-5303, Idaho Code, be, and the same is hereby amended to read as follows:

67-5303. APPLICATION TO STATE EMPLOYEES. All departments of the state of Idaho and all employees in such departments, except those employees specifically defined as nonclassified, shall be classified employees, who are subject to this chapter and to the system of personnel administration which it prescribes. Nonclassified employees shall be:

- (a) Members of the state legislature and all other officers of the state of Idaho elected by popular vote, and persons appointed to fill vacancies in elective offices, and employees of the state legislature.
- (b) Members of statutory boards and commissions and heads of departments appointed by and serving at the pleasure of the governor, deputy directors appointed by the director and members of advisory boards and councils appointed by the departments.
- (c) All employees and officers in the office, and at the residence, of the governor; and all employees and officers in the offices of the lieutenant governor, secretary of state, attorney general, state treasurer, state controller, and state superintendent of public instruction who are appointed on and after the effective date of this chapter.
- (d) Except as otherwise provided by law, not more than one (1) declared position for each board or commission and/or head of a participating department in addition to those declared to be nonclassified by other provisions of law.
- (e) Part-time professional consultants who are paid on a fee basis for any form of legal, medical or other professional service, and who are not engaged in the performance of administrative duties for the state.
 - (f) Judges, temporary referees, receivers and jurors.
- (g) All employees of the Idaho supreme court, Idaho court of appeals and district courts.
 - (h) All employees of the Idaho state bar.

- (i) Assistant attorneys general attached to the office of the attorney general.
- (j) Officers, members of the teaching staffs of state educational institutions, the professional staff of the Idaho department of education administered by the board of regents and the board of education, and the professional staffs of the Idaho division of professional-technical education and vocational rehabilitation administered by the state board for "Teaching staff" includes teachers, professional-technical education. coaches, resident directors, librarians and those principally engaged in academic research. The word "officer" means presidents, vice presidents, deans, directors, or employees in positions designated by the state board who receive an annual salary of not less than step "A" of the pay grade equivalent to three hundred fifty-five (355) Hay points in the state compensation schedule. A nonclassified employee who is designated as an "officer" on July 5, 1991, but does not meet the requirements of this subsection, may make a one (1) time irrevocable election to remain nonclassified. Such an election must be made not later than August 2, 1991. When such positions become vacant, these positions will be reviewed and designated as either classified or nonclassified in accordance with this subsection.
 - (k) Employees of the military division.
 - (1) Patients, inmates or students employed in a state institution.

- (m) Persons employed in positions established under federal grants, which, by law, restrict employment eligibility to specific individuals or groups on the basis of nonmerit selection requirements. Such employees shall be termed "project exempt" and the tenure of their employment shall be limited to the length of the project grant, or twenty-four (24) months, or four thousand one hundred sixty (4,160) hours of credited state service, whichever is of the shortest duration. No person hired on a project-exempt appointment shall be employed in any position allocated to the classified service.
 - (n) Temporary employees.

- (o) All employees and officers of the following named commodity commissions, and all employees and officers of any commodity commission created hereafter: the Idaho potato commission, as provided in chapter 12, title 22, Idaho Code; the Idaho honey advertising commission, as provided in chapter 28, title 22, Idaho Code; the Idaho bean commission, as provided in chapter 29, title 22, Idaho Code; the Idaho hop grower's commission, as provided in chapter 31, title 22, Idaho Code; the Idaho wheat commission, as provided in chapter 33, title 22, Idaho Code; the Idaho pea and lentil commission, as provided in chapter 35, title 22, Idaho Code; the Idaho apple commission, as provided in chapter 36, title 22, Idaho Code; the Idaho cherry commission, as provided in chapter 37, title 22, Idaho Code; the Idaho mint grower's commission, as provided in chapter 38, title 22, Idaho Code; the Idaho sheep and goat health board, as provided in chapter 1, title 25, Idaho Code; the state brand inspector, and all district supervisors, as provided in chapter 11, title 25, Idaho Code; the Idaho beef council, as provided in chapter 29, title 25, Idaho Code; and the Idaho dairy products commission, as provided in chapter 31, title 25, Idaho Code.
- (p) All inspectors of the fresh fruit and vegetable inspection service of the Idaho department of agriculture, except those positions involved in the management of the program.
- (q) All employees of correctional industries within the department of correction.
- (r) All deputy administrators and wardens employed by the department of correction. Deputy administrators are defined as only the deputy administrators working directly for the nonclassified division administrators under the director of the department of correction.
- (s) All public information positions with the exception of secretarial positions, in any department.
 - (t) Any division administrator.
- (u) Any regional administrator or division administrator in the department of environmental quality.
 - (v) All employees of the division of financial management.
 - (w) All employees of the Idaho food quality assurance institute.
- (x) The state appellate public defender, deputy state appellate public defenders and all other employees of the office of the state appellate public defender.
- (y) All quality assurance specialists or medical investigators of the Idaho board of medicine.
- (z) All pest survey and detection employees and their supervisors hired specifically to carry out activities under the Idaho plant pest act, chapter

- 20, title 22, Idaho Code, including but not limited to pest survey, detection and eradication, except those positions involved in the management of the program.
- SECTION 10. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.