

**Comparison of the Beef Promotion and Research Act of 1985 and the  
Commodity Promotion, Research, and Information Act of 1996**

<b>PROVISION</b>	<b>Beef Promotion and Research Act of 1985</b>	<b>Commodity, Promotion, Research, and Information Act of 1996</b>
Who is assessed	Cattle producers and importers of cattle, beef, or beef products	Determined by the industry through the promulgation of the order after comments are received.
Board structure	<p>CBB has 100 members, all of whom are producers or importers.</p> <p>Producer representation is based on cattle inventory numbers.</p> <p>Each State or geographic unit that has at least 500,000 head of cattle receives 1 representative.</p> <p>(Units are made up of States with smaller inventories that, when grouped together, have at least 500,000 head.)</p> <p>Each State or unit with an additional 1 million head of cattle qualifies for additional representation.</p> <p>Importer representation is based on the conversion of the volume of imported cattle, beef, or beef products into live animal equivalencies.</p>	<p>Sizes of board determined by the industry through the promulgation of the order after comments are received.</p> <p>Secretary shall appoint the member and any alternates of a board from among producers or and first handlers and others in the marketing chain as appropriate.</p> <p>If imports are assessed, Secretary shall also appoint importers as members and as alternates if alternates are in included on the board.</p> <p>The Secretary may appoint 1 or more members of the general public to the board.</p> <p>To ensure fair and equitable representation of the industry covered by the order, the composition of the board must reflect the geographical distribution of the production of the commodity involved in the United States and the quantity or value of the commodity imported in to the United States.</p>

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<b>PROVISION</b>	<b>Beef Promotion and Research Act of 1985</b>	<b>Commodity, Promotion, Research, and Information Act of 1996</b>
Term of office	CBB members serve 3-year terms; with a maximum of two consecutive terms.	Members and any alternates serve 3-year terms, with a maximum of two consecutive terms.
How nominated	<p>Producers are nominated by CPOs; these are State, regional, or national cattle organizations.</p> <p>Importers are nominated either by CIOs or by themselves, if they demonstrate their eligibility to serve.</p>	<p>The Secretary may make appointments from nominations made pursuant to the method set forth in the order.</p> <p>Each member or alternate shall continue to serve until a successor is appointed by the Secretary.</p>
Involvement of other organizations	<p>The Federation of State Beef Councils (now a division of NCBA) jointly populates the committees and the BPOC.</p> <p>Committees are composed of half CBB members and half Federation members.</p> <p>The BPOC, which makes funding and project decisions for the program, is composed of half CBB members and half Federation members.</p>	The Act is silent on involvement of other organizations.

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<b>PROVISION</b>	<b>Beef Promotion and Research Act of 1985</b>	<b>Commodity, Promotion, Research, and Information Act of 1996</b>
Committee structure	<p>Except for Executive and Audit committees, which are made up of only CBB members, committees are jointly populated by CBB and Federation members—with a CBB chair and Federation co-chair—and serviced by CBB staff (up until 2014, most committees were serviced by NCBA staff).</p> <p>All committee members have voting privileges.</p>	The Act provides that the board will meet, organize, and select from among the members of the board a chairperson, other officers, and committees and subcommittees, as the board determines to be appropriate.
State organizations	<p>QSBCs collect assessment and keep up to half.</p> <p>QSBCs are members of the Federation of State Beef Councils.</p> <p>QSBCs are required to provide CBB with copies of their annual CPA audits.</p>	The Act is silent on the involvement of State organizations.
Imports	Imports are assessed, and importers serve on CBB.	Imports may be assessed.
Powers and duties of the Board	CBB duties include reviewing budgets approved by the BPOC and voting on 10 members to serve on the BPOC.	The Act provides that the board submits to the Secretary for approval plans, projects, and budgets of its anticipated annual expenses and disbursements to be paid to administer the order.
Decision-making authority	The BPOC decides projects and budget for the checkoff, subject to USDA approval and CBB review.	Decision-making is one of the powers and duties of the board.

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Contracting	<p>Except for producer communications, all programming <i>must</i> be contracted through non-profit cattle industry organizations; these contractors work on cost-recovery and cannot profit from the checkoff .</p> <p>Contracts are between BPOC and cattle organizations.</p>	<p>The Act provides that, with the approval of the Secretary, the board may enter into contracts and agreements to carry out generic promotion, research, and information activities, including contracts and agreements with producer associations or other entities as considered appropriate by the Secretary.</p>
Assessment rate	<p>For producers, \$1 per head of cattle sold; an equivalent assessment on any beef of the producer’s production sold.</p> <p>For importers, \$1 per head of cattle imported; an equivalent assessment on any imported beef and beef products.</p>	<p>The board shall recommend to the Secretary 1 or more rates of assessment to be levied.</p> <p>If approved by the Secretary, the rates will take effect.</p> <p>The order may provide that an assessment rate may not be increased unless approved by a referendum.</p>

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Who collects	<p>In the 45 States with a QSBC, the QSBCs collect the assessment, keep up to half, and send the remainder to CBB.</p> <p>In the 5 States without a QSBC, CBB collects the assessment.</p> <p>U.S. Customs &amp; Border Protection collects the assessment on imports and forwards it to CBB.</p>	<p>Assessment is paid by first handlers or importers. “First handler” is defined under the Act to mean the first person who buys or takes possession of an agricultural commodity from a producer for marketing. If a producer markets the agricultural commodity directly to consumers, the producer shall be considered to be the first handler with respect to the agricultural commodity produced by the producer.</p> <p>U.S. Customs &amp; Border Protection would collect the assessment on imports.</p> <p>Who would collect the assessment would be determined by the industry through the promulgation of the order after comments are received.</p>

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How collected	<p>Assessments are collected at the following points:</p> <p>Domestically, the purchaser of cattle collects the assessment from the seller and remits that assessment to either the QSBC or CBB (if no QSBC); e.g., this could happen through auction markets, futures markets, slaughter operations, or private treaty sales.</p> <p>Producers marketing their own cattle in the form of beef or beef products (e.g., freezer beef) are responsible for remitting the assessment to the QSBC or CBB (if no QSBC).</p> <p>On imports, U.S. Customs &amp; Border Protection collects the assessment at point of entry into the U.S. and forwards it to CBB.</p>	<p>Assessments required under an order shall be remitted to the board established under the order at the time and in the manner prescribed by the order.</p>
De minimis exemptions	No	Yes

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Referenda	<p>The Secretary may conduct a referendum on the request of a representative group comprising 10 per centum or more of the number of cattle producers to determine whether cattle producers favor the termination or suspension of the order. The Secretary shall suspend or terminate collection of assessments under the order within six months after the Secretary determines that suspension or termination of the order is favored by a majority of the producers voting in the referendum who, during a representative period as determined by the Secretary, have been engaged in the production of cattle and shall terminate or suspend the order in an orderly manner as soon as practicable after such determination. Any referendum conducted under this section shall be conducted on a date established by the Secretary, whereby producers shall certify that they were engaged in the production of cattle during the representative period and, on the same day, shall be provided an opportunity to vote in the referendum. Each referendum shall be conducted at county extension offices, and there shall be provision for an absentee mail</p>	<p>Secretary may conduct an upfront referendum or not later than 3 years after assessments begin.</p> <p>Those subject to the assessment, who during a representative period were engaged in the production or handling of the commodity or importation of the commodity, are eligible to vote.</p> <p>The Secretary shall conduct subsequent referendum no later than 7 years after assessments begin, at the request of the board, or at the request of 1- percent or more of the number of persons eligible to vote.</p> <p>Secretary may conduct a referendum at any time to determine whether the continuation, suspension or termination of the order or provision of the order is favored by person eligible to vote.</p> <p>Approval of an order may be by a majority of those persons voting; by persons voting who represent a majority of the volume of the commodity; or may be a majority of those persons voting for approval who also represent a majority of the volume.</p> <p>Referenda are conducted in the manner determined by the Secretary.</p>

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Administrative Cap	Not to exceed 5 percent of the projected total assessments to be collected by the Board for such fiscal year.	Cannot exceed 15 percent of the assessment and other income received by the board the fiscal year.
Refunds	No longer available.	Persons subject to an order are eligible to demand a refund of assessments collected if the assessments were remitted on behalf of the person and the order is not approved in the referendum.